



# FI Crime Protect

GENERAL TERMS AND CONDITIONS OF  
FIDELITY AND COMPUTER CRIME INSURANCE  
FOR FINANCIAL INSTITUTIONS

COLONNADE   
A FAIRFAX COMPANY

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### **Information Note**

Conditions for the payment of compensation and other benefits are included in the following parts of general terms and conditions:

pt 1, pt 2, pt 3, pt 6, pt 8, pt 9.4, pt 9.12.1), pt 9.12.3).

Limitations and exclusions of the insurance cover entitling Insurer to refuse to pay the compensation are included in the following parts of general terms and conditions:

pt 1.7.3), pt 2.1.2), pt 4, pt 6.1.1), pt 6.3, pt 6.4.1), pt 7, pt 8, pt 9.1, pt 9.3, pt 9.4, pt 9.9, pt 9.11.

# GENERAL TERMS AND CONDITIONS OF FIDELITY AND COMPUTER CRIME INSURANCE FOR FINANCIAL INSTITUTIONS

These General Terms and Conditions of Fidelity and Computer Crime Insurance for Financial Institutions ("General Terms and Conditions") approved by the General Manager of Colonnade Insurance Societe Anonyme (Joint Stock Company) Branch in Poland with its registered office in Warsaw, on 31.03.2022, applicable to FI Crime insurance contracts concluded between Colonnade Insurance S.A., 1, rue Jean Piret, L-2350 Luxembourg, Grand Duchy of Luxembourg, operating in Poland by Colonnade Insurance Société Anonyme (Joint Stock Company) Branch in Poland, 67 Prosta Street, 00-838 Warsaw, registered by the District Court for the Capital City of Warsaw, XIII Commercial Division of the National Court Register under number 0000678377, Tax Identity Number 1070038451 and the Policyholders after 31.03.2022.

The Insurance Agreement is concluded by the Insurer in confidence in the statements made by the Policyholder or its representative in the application for conclusion of the Insurance Agreement and information presented to the Insurer (on which the Insurer relies and which forms part of the Insurance Agreement).

All coverages granted for Loss under this Insurance Agreement are provided solely for Loss Discovered during the Policy Period. The Schedule may regulate selected issues in a manner different from the General Terms and Conditions. In such case the provisions of the Schedule shall apply.



## 1. Covers

### 1.1. EMPLOYEES

- 1) The Insurer will indemnify the Insured for Direct Financial Loss:
  - a) arising from Loans or Trading resulting directly from a dishonest, fraudulent or criminal act of an Employee committed with the intent to obtain and which results in improper personal financial gain for the Employee;
  - b) other than arising from Loans and Trading, resulting directly from any dishonest, fraudulent, criminal or malicious act of any Employee, wherever committed and whether committed alone or in collusion with others, which acts have been committed by said Employee with the intent to cause the Insured to sustain a loss and with the intent to obtain an improper personal financial gain for the Employee or any person or organisation colluding with the Employee.
- 2) Salary, fees, commissions, bonuses, salary increases, promotions, profit sharing and other emoluments or similar benefits including business entertainment do not constitute improper personal financial gain.

### 1.2. PREMISES AND CONTENTS

The Insurer will indemnify the Insured for Direct Financial Loss resulting directly from:

- a) the physical loss, damage or destruction of Property:
  - i. located in premises (including Premises) by any means; or
  - ii. by theft whilst in the possession of a customer of the Insured staying within the Premises; or
  - iii. as a result of forcible and violent theft, larceny, burglary or robbery, or by any attempt thereof while such Property is contained in any Automated Teller Machine, up to the Sub-Limit specified in Item 5 of the Schedule; or
- b) damage (including by vandalism or malicious mischief) to Contents or Premises caused by any actual or attempted theft, burglary, robbery, hold-up or larceny.

### 1.3. TRANSIT

The Insurer will indemnify the Insured for Direct Financial Loss resulting directly from Property being lost or damaged whilst in transit and in the custody of:

- a) an Employee or
- b) any qualified security officer representing licenced security company using armored vehicle.

Transit is deemed to commence upon receipt of such Property by the transporting Employee or qualified security officer representing licenced security company and to end immediately upon delivery to the designated recipient or agent thereof.

#### 1.4. FORGERY AND ALTERATION

The Insurer will indemnify the Insured for Direct Financial Loss resulting directly from the Insured having acted on the basis of any Forgery or Fraudulently Alteration of any:

- a) Payment Instrument; or
- b) Payment Instruction;

as long as any Payment Instrument or Payment Instruction was in a form and in characters with which the Employee relying upon it was conversant.

#### 1.5. SECURITIES

- 1) The Insurer will indemnify the Insured for Direct Financial Loss resulting directly from the Insured, or any Financial Organisation acting on its behalf, having acted or relied upon any Forged, Fraudulently Altered, Counterfeit, lost or stolen Security.
- 2) Any Security must be:
  - a) in the actual physical possession of the Insured, or the Financial Organisation acting on its behalf, at the time the entity acts or relies upon any such item. Concerning Loans, such physical possession must be continuous up to and including the time that any Loss by reason of such Securities is Discovered (continuous physical possession includes also Securities which are either lodged or deposited by the Insured with a Financial Organisation);
  - and
  - b) in a form and in characters with which the Employee, or the employee of the Financial Organisation acting on behalf of the Insured, is conversant.

#### 1.6. COUNTERFEIT CURRENCY

The Insurer will indemnify the Insured for Direct Financial Loss resulting directly from the Insured having acted or relied upon Counterfeit currency or coin issued or purporting to be issued as legal tender.

#### 1.7. ERRONEOUS TRANSFER

- 1) The Insurer shall indemnify the Insured for Direct Financial Loss resulting directly from theft by a third party of funds or Uncertificated Securities erroneously directed or transferred to such third party by the Insured, or by a Financial Organisation acting on its behalf, up to the Sub-Limit specified in Item 5 of the Schedule.
- 2) The erroneous direction or transfer must not be associated with or related to any dishonest, fraudulent, malicious or criminal act.
- 3) The Insured is obliged to use the means available to him to recover such funds or Uncertificated Securities. The Insurer shall be released from liability for Losses occurring as a result of the Insured's failure to do so intentionally or due to gross negligence.

#### 1.8. ELECTRONIC INSTRUCTIONS

The Insurer will indemnify the Insured for Direct Financial Loss resulting directly from:

- a) the Insured, or any Financial Organisation acting on its behalf having acted or relied upon fraudulent, dishonest, malicious or criminal Tested electronic instructions; or
- b) any Financial Organisation or Clearing Organization having acted or relied upon any Tested electronic instruction:
  - i. purporting to have been, but was not, sent by the Insured or any Financial Organisation acting on its behalf; or
  - ii. sent by the Insured or any Financial Organisation acting on its behalf, but was fraudulently, dishonestly, maliciously or criminally modified thereafter.

#### 1.9. DATA

The Insurer will indemnify the Insured for Direct Financial Loss resulting directly from the Insured, or any Financial Organisation acting on its behalf having acted or relied upon Electronic Data which has been fraudulently, dishonestly, maliciously or criminally input, modified, prepared, deleted or corrupted.

#### 1.10. COMPUTER SYSTEM ACCESS

The Insurer will indemnify the Insured for Direct Financial Loss resulting directly from the fraudulent or criminal:

- a) accessing of the Insured's Computer System (including the use of a trojan horses, key-stroke loggers and spyware); or
- b) input, modification, preparation, deletion or corruption of an Electronic Computer Program.

### 1.11. VIRUS

The Insurer will indemnify the Insured for Direct Financial Loss resulting directly from the fraudulent or criminal use, introduction or activation of a virus or electronic code in the Computer System of the Insured or a Service Bureau.

### 1.12. VOICE INITIATED INSTRUCTIONS

The Insurer will indemnify the Insured for Direct Financial Loss resulting directly from the Insured, any Financial Organisation acting on its behalf, or an Clearing Organization having acted or relied upon fraudulent, dishonest, malicious or criminal Tested telephone instructions requesting the transfer of funds, Uncertificated Securities or Property.

### 1.13. TELEPHONE TOLL CHARGES

The Insurer will indemnify the Insured for telephone toll charges incurred by the Insured resulting directly from the criminal accessing of a Telephone System.



## 2. Costs and Expenses

### 2.1. DEFENCE COSTS

- 1) The Insurer will indemnify the Insured for necessary and reasonable legal fees, costs and expenses incurred by the Insured with the prior written consent of the Insurer in the defence of any written demand, claim, suit or legal proceeding which establishes a Direct Financial Loss covered under Insurance Agreement provided such Direct Financial Loss is, of itself, in excess of the Retention.
- 2) If an Insured refuses to consent to any settlement which would resolve a written demand, claim, suit or legal proceeding, governed under this extension which is recommended by the Insurer and acceptable to the claimant, the Insurer's liability for all legal costs and expenses covered by this extension shall not exceed the amount of costs and expenses incurred up to the date that the settlement was refused.

### 2.2. POLICYHOLDER STOLEN IDENTITY COSTS

Insurer shall indemnify the Insured with the Insurer's prior written consent, resulting from an Identity Fraud upon the Policyholder's Corporate Identity, up to the Sub-Limit specified in Item 5 of the Schedule:

- a) reasonable and necessary fees, costs and expenses paid to:
  - i. legal advisors when applying for civil proceedings to be dismissed or withdrawn on the basis that an alleged liability resides with the perpetrator of Identity Fraud, and not the Insured;
  - ii. legal advisors when applying for criminal proceedings to be dismissed or withdrawn on the basis that an alleged offence was not committed by the Insured but by the perpetrator of Identity Fraud;
  - iii. a professional private investigation agency to investigate the identity of the perpetrator and his or her modus operandi in connection with Identity Fraud;
  - iv. public relations consultants to redress adverse publicity or reputational injury due to Identity Fraud; or
  - v. legal advisors retained by the Insured to correct or reinstate public records;

and

- b) the reasonable costs of rewriting or amending the Insured's software programs or systems with the prior written consent of the Insurer where such rewriting or amending is necessary to correct the programs or amend the security codes following an Identity Fraud.

### 2.3. REWARD EXPENSE

The Insurer will indemnify the Insured for reasonable amounts paid externally as a reward for information leading to the identification and capture of any person who is responsible for a Loss covered under Insurance Cover 1.2 (Premises and Contents) or 1.3 (Transit) up to the sub-limit specified in Item 5 of the Schedule.



## 3. Extensions

### 3.1. NEW SUBSIDIARY AND NEW FACILITY

The definition of Subsidiary will be automatically extended to include any:

- a) Entity of which the Policyholder creates and Controls either directly or indirectly through one or more of its other Subsidiaries, during the Policy Period;

- b) Entity of which the Policyholder acquires Control, either directly or indirectly through one of more of its other Subsidiaries, during the Policy Period unless such entity meets any one or more of the following criteria:
  - i. has total gross assets which are greater than 20 per cent of the Insured's total consolidated gross assets as stated in the proposal form filled and signed by the Policyholder at the inception of Insurance Agreement;
  - ii. has had a direct financial loss of a type of Direct Financial Loss covered under Insurance Agreement within the past 5 years with a quantum greater than the Retention;
  - iii. has operations which deviate from the Insured's business as described to the Insurer at the inception of Insurance Agreement.

For any such entity that meets one or more of the criteria listed at i. or ii. above, this Extension 3.1 (New Subsidiary and New Facility) shall apply automatically for a period of 30 days from the date the Policyholder acquires Control (but no longer than the end of Policy Period), provided the Policyholder shall submit in writing to the Insurer the particulars of such entity (to the same extent as the Policyholder's data presented at the conclusion of the Insurance Agreement) within the 30 days from the date the Policyholder acquires Control.

At the Policyholder's request, the Insurer may propose conditions for extending the insurance cover for a further period;

- c) Assets newly formed, established or relocated by merger with, or consolidation with, or purchase of, or other acquisition of the assets of another business during the Policy Period unless such assets are greater than 20 per cent of the Insured's total consolidated gross assets stated in the proposal form filled and signed by the Policyholder at the inception of Insurance Agreement;
- d) Branches or offices newly formed, established or relocated during the Policy Period unless such branches and offices do not have controls, procedures and security protections at least equivalent to those of the Insured.

For any assets, branches or offices that do not meet the criteria listed at c) or d) above, the Policyholder may request that cover be extended and the Insurer may agree to this extension, provided that it receives from the Policyholder sufficient details to permit the Insurer to assess and evaluate its exposure with respect to such assets, branches and offices and the Policyholder accepts any consequent amendments to the Insurance Agreement, including payment of any additional premium required by the Insurer.

### 3.2. DISCOVERY PERIOD

At the latest 30 days before the end of the Policy Period the Policyholder may apply to the Insurer for a Discovery Period. In response, the Insurer shall specify the conditions under which the Discovery Period will be granted. The Insurer is not obliged to grant a Discovery Period.



## 4. Exclusions

The Insurer shall not be liable under the Insurance Agreement for any:

### Prior Acts and Discovery

- 1) Loss:
  - a) sustained prior to the retroactive date specified in Item 7 of the Schedule or connected with any act, transaction or event which occurred prior to or started before the retroactive date specified in Item 7 of the Schedule; or
  - b) Discovered prior to the inception date of the Policy Period; or
  - c) Discovered after expiry of the Policy Period or Discovery Period if applies.

### Employee Acts

- 2) Loss resulting directly or indirectly from any dishonest, fraudulent, malicious or criminal act of an Employee unless such Loss is covered under Insurance Cover 1.1 (Employees).

### Directors/Partners Acts

- 3) Loss resulting directly or indirectly from any act of any director, Officer or partner (or equivalent position) of the Insured, except to the extent that the director, Officer or partner is deemed to be an Employee and such act is covered under Insurance Cover 1.1 (Employees).

### Fees, Costs and Expenses

- 4) fees, costs or expenses incurred in establishing the existence or amount of Loss covered under the Insurance Agreement, or in prosecuting or defending any claim, suit or legal proceeding, or incurred as a party to any claim, suit or legal proceeding, except fees, costs and expenses described in the Definition 3 (Direct Financial Loss) or Costs and Expenses 2.1 (Defence Costs).

### **Indirect and Consequential Loss**

- 5) indirect or consequential loss of any nature unless expressly provided for in Section 8 (Basis of Valuation);
- 6) loss or deprivation of income or profits (including interest and dividends), except to the extent specifically provided for under Section 8 (Basis of Valuation – loss of subscription rights) or Definition 3 (Direct Financial Loss); or
- 7) Loss resulting from business interruption.

### **Wear and Tear, Moth or Vermin**

- 8) Loss resulting directly or indirectly from loss of or damage to any property (including Property) whatsoever by reason of wear, tear, gradual deterioration, moth or vermin.

### **Credit Risks**

- 9) Loss resulting directly or indirectly from the complete or partial non-payment of or default upon any Loan, unless such loss is covered under Insurance Cover 1.1 (Employees), 1.4 (Forgery and Alteration), 1.5 (Securities), 1.8 (Electronic Instructions), 1.9 (Data), 1.10 (Computer System Access) or 1.11 (Virus).

### **Damages**

- 10) damages or compensation of any type except compensatory damages awarded to a third party which represent Direct Financial Loss covered under the Insurance Agreement. However, insurance cover shall not include any contractual penalties.

### **Extortion/Kidnap and Ransom**

- 11) Loss resulting directly or indirectly from or payment for extortion or kidnap and ransom unless such Loss is covered under Insurance Cover 1.1 (Employees).

### **Insurance/Reinsurance**

- 12) Loss resulting directly or indirectly from the Insured having arranged or failed to arrange a contract of insurance, reinsurance or what purports to be a contract of insurance or reinsurance, or a Loss arising out of the Insured's involvement with, whether as an agent or principal, insurance or reinsurance of any kind, except to the extent that premium payments or claims payments are embezzled by an Employee and such Loss is covered under Insurance Cover 1.1 (Employees).

### **Uncleared Deposits**

- 13) Loss resulting directly or indirectly from payments or withdrawals involving items received by the Insured which are not finally paid for any reason, unless such Loss is covered under Insurance Cover 1.1 (Employees) or Insurance Cover 1.5 (Securities).

### **Plastic Cards**

- 14) Loss resulting directly or indirectly from the use or purported use of any actual or purported Plastic Cards except to the extent that such Loss is covered under Insurance Cover 1.1 (Employees).

### **Property Damage and Nuclear Waste**

- 15) Loss resulting directly or indirectly from loss, damage or destruction:
  - a) of or to any office, premises (including Premises) or real estate, however caused; unless covered under Insurance Cover 1.2 (Premises and Contents);
  - b) of or to any property (including Property) as a result of fire, explosion, implosion or collapse, other than Loss in respect of Property due to a malicious act of an Employee and such Loss is covered under Insurance Cover 1.1 (Employees);
  - c) of or to any property (including Property) resulting directly or indirectly from typhoon, hurricane, cyclone, volcanic eruption, earthquake, subterranean fire or other convulsion of nature and contemporaneous or ensuing loss or damage by fire or looting; or
  - d) arising out of, based upon or attributable to ionising radiation or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel, or the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof.

### **Property in the Mail**

- 16) Loss resulting directly or indirectly from loss of Property while in the custody of any postal service or carrier for hire unless such loss is covered under Insurance Cover 1.1 (Employees).

### **Safe Deposit Box Contents**

- 17) Loss resulting directly or indirectly from the loss of or damage to any items or property (including Property):
  - a) contained in a customer's safe deposit box; or

- b) held by the Insured in custody in accordance with the procedures in force on behalf of a customer of the Insured (other than identifiable Securities actually held by the Insured for such customers), unless covered under Insurance Cover 1.1 (Employees).

### Travellers Cheques

18) Loss resulting directly or indirectly from:

- a) forgery, counterfeiting or alteration of any travellers cheques or travellers letters of credit issued by the Insured, unless covered under Insurance Cover 1.1 (Employees).
- b) loss of unsold travellers cheques placed in the custody of the Insured with authority to sell unless covered under Insurance Cover 1.1 (Employees) or is caused by theft and is covered by Insurance Cover 1.2 (Premises and Contents) or 1.3 (Transit) and provided also that such cheques are later paid or honoured by the issuer thereof and the Insured is legally liable for such loss.

### Teller Shortages

19) Loss resulting directly or indirectly from any shortage in any teller's cash due to error, regardless of the amount of such shortage; and any shortage in teller's cash which is not in excess of the normal shortage in the teller's cash in the office where such shortage shall occur shall be assumed to be due to error.

### Mergers and Acquisitions

20) Loss arising directly or indirectly:

- a) by reason of or in connection with any merger, consolidation or similar acquisition with, into or by the Insured; or
- b) by reason of or in connection with any purchase or sale of assets or shares occasioning any change in ownership or control, whether financial or otherwise, of another business by the Insured.

### Bills of Lading and Similar Instruments

21) Loss resulting directly or indirectly from any items which are or purport to be bills of lading, shipping documents, warehouse receipts, trust receipts, accounts receivable, or any other bill, document or receipt similar in nature or effect or serving a similar purpose, unless such Loss is covered under Insurance Cover 1.1 (Employees), 1.2 (Premises and Contents) or 1.3 (Transit).

### Forgery

22) Loss resulting directly or indirectly from any forgery, counterfeiting or alteration unless such Loss is covered under Insurance Cover 1.1 (Employees), Insuring Clause 1.4 (Forgery and Alteration), Insuring Clause 1.5 (Securities), Insuring Clause 1.6 (Counterfeit Currency), 1.8 (Electronic Instructions), Insuring Clause 1.9 (Data), Insuring Clause 1.10 (Computer System Access), Insuring Clause 1.11 (Virus), and 1.12 (Voice Initiated Transfers).

### Contractual Liability

23) Loss resulting directly or indirectly from a liability assumed or accepted by the Insured under contract or agreement, except a liability which would have attached to the Insured in the absence of such contract or agreement.

### Knowledge of key personnel regarding Employee activities

24) consequences of fraud, theft or other criminal act, whether maliciously, illegally or fraudulently committed by an Employee as soon as (i) any director, Officer, partner or trustee (or equivalent position) of the Insured not in collusion with that Employee discovers the commission by the Employee of any act or event which could reasonably be foreseen to give rise to a Loss (but without prejudice to the loss of Property in transit in the custody of the Employee at the time of Discovery); or (ii) the Insured becomes aware that such Employee has previously committed fraud, theft or other such criminal, malicious, fraudulent or dishonest acts (which are not the subject of Loss under the Insurance Agreement). This condition shall not apply where such acts took place more than three years before the Insured became aware of them and they were not committed in relation to their employment.

### Service Bureau activities

25) consequences of a fraudulent, unlawful or malicious intent on the part of any partner, member of the management or supervisory board, senior management or employee of the Service Bureau immediately upon the Discovery by any Insured, or any director, Officer, partner or trustee not in collusion with such Service Bureau, of any dishonest, fraudulent or malicious act committed by any partner, director, Officer or employee of such Service Bureau, without prejudice to the loss of Property then in transit in the custody of such person.

*Exclusion applicable only to Insurance Cover 1.2 (Premises and Contents) and 1.3 (Transit).*

### War and Terrorism

26) Loss resulting directly or indirectly from War or Terrorism.

This exclusion shall not apply to Loss which results from any actual or attempted burglary, robbery, hold-up, theft or larceny by any natural person arising out of or relating to such natural person's actual or alleged involvement in Terrorism or connection to or association with others who are involved in or connected to Terrorism.

*Exclusions applicable only to Insurance Cover 1.8 (Electronic Instructions), 1.9 (Data), 1.10 (Computer System Access), 1.11 (Virus), 1.12 (Voice Initiated Instructions) or 1.13 (Telephone Toll Charges).*

### **Mechanical Breakdown**

**27)** Loss resulting directly or indirectly from mechanical, electronic or software failure; faulty construction; error in design or construction; latent defect; wear or tear; gradual deterioration; electrical disturbance; Electronic Data Storage Media failure or breakdown; any malfunction or error in programming; or errors or omissions in processing.

### **Fraudulent Features in Electronic Computer Programs**

**28)** Loss resulting directly or indirectly from fraudulent features contained in Electronic Computer Programs developed for sale to, or that were sold to, multiple customers at the time of their acquisition from a vendor, distributor or consultant.

### **Authorised Access**

**29)** Loss resulting directly or indirectly from the input of Electronic Data or an electronic instruction by a customer, or any other person who had authorised access to the customer's authentication mechanism.

### **Proprietary Information, Trade Secrets and Intellectual Property**

**30)** Loss resulting directly or indirectly from the actual or alleged plagiarism of, or arising directly or indirectly from the accessing of, any confidential information (including Trade Secrets, Electronic Computer Programs, customer information, patents, trademarks, trade names or copyrights), except to the extent that any such confidential information is used to support or facilitate the commission of an act covered under Cover 1.8 (Electronic Instructions), 1.9 (Data Received), 1.10 (Computer System Access), 1.11 (Virus), 1.12 (Voice Initiated Instructions) or 1.13 (Telephone Toll Charges).

### **Source Documentation – Secondary Input**

**31)** Loss resulting directly or indirectly from use of fictitious, forged (including Forged), fraudulently altered (including Fraudulently Altered), counterfeit (including Counterfeit) or fraudulent documents, written or printed instruments (including Payment Instruments) or instructions (including Payment Instructions), negotiable instruments or certificated securities in physical form used as source documentation in the creation, preparation or modification of Electronic Data or electronic instructions.

### **Physical Documentation – Providing Hard Copy Documents**

**32)** Loss resulting directly or indirectly from the Insured, or any Financial Organisation acting on its behalf having acted or relied upon documents, written or printed instruments (including Payment Instruments) or instructions (including Payment Instructions), negotiable instruments or certificated securities provided in physical form by a third party to the Insured, or any Financial Organisation acting on its behalf.

### **Statements of Condition – Provision of Electronic Information**

**33)** Loss resulting directly or indirectly from the Insured, or any Financial Organisation acting on its behalf, having acted or relied upon Electronic Data (including Electronic Data contained in a third party originated electronic instruction) provided to the Insured, or any Financial Organisation acting on its behalf, which Electronic Data represents fictitious, dishonest or fraudulent:

- a)** financial accounts or financial records;
- b)** statements of account;
- c)** valuations of investments or real property; or
- d)** other statements of condition intended to obtain or gain access to:
  - i.** a Loan or guarantee;
  - ii.** actual or committed investment funds; or
  - iii.** the proceeds of insurance or assurance policies; held by, or from, the Insured.



## 5. Definitions

- 1) **Letter of Credit** – any agreement in writing by a Financial Organisation or bank made at the request of a customer that the issuer will honour draft or other demands for payment upon compliance with the conditions specified in the agreement.
- 2) **Automated Teller Machine** – any unmanned electronic terminal installed at the premises of the Insured, and bearing the Insured's designated logo or insignia, which can read the magnetic encoding of a Plastic Card to perform financial transactions including the ability to deposit or receive money or Property and to send electronic instructions to a data centre authorising the processing of debit and credit entries to the cardholders account.
- 3) **Direct Financial Loss:**
  - a) actual loss in the Insured's assets; and
  - b) the amount of any interest on customer deposits which becomes payable by an Insured up to the Sub-Limit specified in Item 5 of the Schedule; and
  - c) reasonable forensic accountants fees, costs and expenses incurred by an Insured with the prior written consent of the Insurer to determine the quantum of a) above up to the Sub-Limit specified in Item 5 of the Schedule; and
  - d) reasonable fees, costs and expenses incurred by an Insured with the prior written consent of the Insurer, for the verification or reconstitution or removal of Electronic Computer Programs, Electronic Data or a virus or electronic code up to the Sub-Limit specified in Item 5 of the Schedule.

Direct Financial Loss shall not include (i) salaries, fees, commissions, bonuses, salary increases, promotions, profit sharing and other emoluments or benefits, including business entertainment other than bonuses, commissions or profit sharing paid to an Employee for a specific transaction with which such Employee was involved and in respect of which that Employee had committed an act covered under the Insurance Agreement; or (ii) the costs of notifying data subjects or fraud monitoring associated with the unauthorised accessing or use of private personal data.
- 4) **Service Bureau** – any person authorised by written agreement with the Insured to perform data processing services using Computer Systems.
- 5) **Central Depository** – any clearing corporation where, as the direct result of an electronic clearing and transfer mechanism, entries are made evidencing an increase or reduction in an account, an obligation, a number of shares or the rights of any party, including a central institution responsible for the operation and supervision of the securities depository system and for the settlement of transactions in financial instruments, in which the accounts of financial instruments are credited directly to the electronic settlement system.
- 6) **Cheque** – a written document addressed by its issuer to the bank, signed by the issuer, instructing the bank unconditionally to pay on presentation of a designated sum of money to or on behalf of a specified person or bearer and containing the word "cheque" in its contents.
- 7) **Own Banker's Cheque** – A personal Cheque issued by a bank addressed to and payable by the issuing bank.
- 8) **Officer** – a person authorized to represent the Insured alone or together with another person
- 9) **Electronic Data** – electronically stored digital or digitised information or media
- 10) **Electronic Data Storage Media** – the physical component or materials on which Electronic Data or an Electronic Computer Program is or can be recorded.
- 11) **Identity Fraud** – the fraudulent modification, alteration or corruption, or theft of Corporate Identity by an Employee or any other party, first sustained and Discovered during the Policy Period.
- 12) **Payment Instrument** – any Cheque including Own Banker's Cheque, Routed Bill of Exchange, Bill of exchange drawn per Exhibitor, Letter of Credit, Promissory Note, Withdrawal Receipt for the withdrawal of funds, money order, orders upon public treasuries, or any other similar instruments of value serving the same purpose.
- 13) **Plastic Cards** – any credit card, debit card, charge card, ATM card, prepaid card or other cards similar in nature or effect.
- 14) **Control** – the securing of the affairs of an entity by means of:
  - a) controlling the composition of the board of directors of such entity;
  - b) controlling more than half of the shareholder or equity voting power of such entity; or
  - c) holding more than half of the issued share or equity capital of such entity.
- 15) **Premises** – the interior portion of any building owned or occupied by the Insured and in which they conduct their business.
- 16) **Property:**
  - a) cash (including currency, coins and banknotes), bullion, precious metals of all kinds and in whatsoever form, and articles made therefrom, jewellery, gems (including uncut gem stones), precious and semi-precious stones, stamps, postal orders, insurance policies;
  - b) any Payment Instrument;

- c) any Security;
  - d) all other negotiable and non-negotiable instruments, or contracts representing money or other property (real or personal) or interests therein, and other valuable papers, including books of account and other records used by the Insured in the conduct of their business, in which the Insured has an interest, or which are held by the Insured for any purpose or in any capacity and whether so held gratuitously or otherwise, and whether the Insured are legally liable for them or not; or
  - e) Electronic Data Storage Media.
- 17) Trading** – trading or other dealing in Securities, Uncertificated Securities, commodities, futures, options, foreign or Federal funds, currencies, foreign exchange and the like.
- 18) Discovery Period** – a period specified at Item 8 of the Schedule immediately following the expiry of the Policy Period during which written notice may be given to the Insurer of any Loss sustained prior to the end of the Policy Period and Discovered during such period or during the Policy Period. Discovery during the Discovery Period shall be deemed Discovery during the Policy Period.
- 19) Policy Period** – Means the period of time specified in Item 2 of the Schedule.
- 20) Financial Organisation:**
- a) any bank, credit institution, financial institution, undertaking for collective investment in Securities, investment firm or similar entity;
  - b) any Central Depository in connection with the purchase, sale, transfer or pledge of an Uncertificated Security; or
  - c) any person with which the Insured has a written agreement for the provision of purchasing services, safekeeping, registration and entitlement records in connection with Securities.
- 21) Clearing Organization** – any corporation or association (including BACS, Polish National Bank and Krajowa Izba Rozliczeniowa S.A.) which operates an electronic clearing and transfer mechanism for the transfer of pre-authorised debits and credits in the banking system between Financial Organisations on behalf of Financial Organisations' customers.
- 22) Responsible Person** – any natural person appointed by the Insured with responsibility for monitoring or reporting acts and events covered under the Insurance Agreement, or a director, company secretary, general counsel or risk manager of the Insured or any person holding an equivalent position.
- 23) Fraudulent Alteration / Fraudulently Altered** – any alteration for a fraudulent purpose by any person other than the person who was authorised to prepare or sign.
- 24) Security:**
- a) any stock, shares, scrip, certificates, bonds, coupons and all other types of securities (including securities held in book entry form), Routed Bills of Exchange, Promissory Notes, Letters of Credit, warrants, bearer instruments or other Payment Instruments and any other documents of a negotiable nature;
  - b) any insurance policy (including endowment policy) collateral including any assignment thereof to the Insured or any policy loan agreement made by the Insured;
  - c) any title deeds, deeds of trust or mortgages and assignments of such mortgages;
  - d) negotiable or non-negotiable agreements in writing, other than as set forth in e) below, having value which is, in the ordinary course of business, transferable; or
  - e) any original corporate, partnership or personal guarantees and bank and insurance guarantees.
- 25) Subsidiary** – any entity of which the Policyholder has or had Control on or before the inception of the Policy Period either directly or indirectly through one or more of its other Subsidiaries, but only if that entity is not an Investment Vehicle.
- An entity ceases to be a Subsidiary when the Policyholder no longer maintains Control of such entity directly or indirectly through one or more of its Subsidiaries.
- 26) Forgery or Forged:**
- a) the hand-written signing or endorsing of the name of a genuine natural person or a copy of said person's signature without authority and with intent to deceive; and
  - b) in respect of a Payment Instrument only, the endorsement upon such Payment Instrument of a fictitious name, or an endorsement upon a Payment Instrument procured in a face to face transaction of the name of anyone impersonated,
- it does not include the signing or endorsing in whole or in part of one's own name, with or without authority, in any capacity, for any purpose.
- Forgery by mechanically or electronically produced or reproduced signatures are treated the same as handwritten signatures.
- 27) Single Loss** – Loss to the to the extent that such Loss arises out of or is attributable to a series of related or continuous acts or events.

- 28) Withdrawal Receipt** – any written form provided to an account holder of the Insured for the purpose of acknowledging receipt of funds or other deposits from the account maintained with the Insured.
- 29) Schedule** – a document issued by the Insurer, confirming conclusion of the Insurance Agreement.
- 30) Loan:**
- a)** any loan or credit or transaction in the nature of, or amounting to, a loan or extension of credit, including a lease, made by or obtained from the Insured; or
  - b)** any note, account, invoice, agreement or other evidence of debt, assigned or sold by or to, or discounted or otherwise acquired by the Insured.
- 31) Employee** – any natural person employed by the Insured, to whom the Insured pays remuneration in the form of a salary:
- a)** under a contract of employment (whether full time, part-time or temporary) with the Insured;
  - b)** working on base of another legal form under the direct control and supervision of the Insured;
  - c)** being director or Officer of the Insured whilst acting as or performing the duties coming within the scope of an employee of the Insured or while acting as a member of a committee duly elected or appointed by resolution of the Board of Directors of the Insured to perform specific acts, as distinguished from general directorial acts, on behalf of the Insured;
  - d)** solicitor whilst acting for the Insured, except a sole practitioner or whilst acting for the Insured in respect to Loans involving real property
- The term Employee also means ex-employee described in a) to c) above, for a period not exceeding 60 days following the termination of their employment with the Insured, other than when such termination is a result of an act covered under Insurance Agreement;
- For the purposes of this insurance, any entity authorised by a written contract with the Insured to perform accounting, data processing of Cheques, payroll or computing services outsourced by the Insured shall also be regarded as an Employee.
- The term Employee does not mean any independent broker, independent financial adviser, or any similar agent or independent representative remunerated on a sales or commission basis unless specifically agreed by the Insurer and endorsed to the Insurance Agreement.
- 32) Electronic Computer Program** – a sequence of instructions in an executable form written to perform a specified task with a Computer System.
- 33) Counterfeit** – an imitation of any authentic original instrument which, because of the quality of the imitation, the Insured believes is the actual instrument.
- Fictitious instruments, which contain fraudulent misrepresentation of fact and are genuinely signed are not Counterfeit.
- 34) Premium** – the amount specified in point 9 of the Schedule constituting the Policyholder’s contribution for the Insurer due under the Insurance Agreement.
- 35) Tested** – a method utilised by the Insured, or any Financial Organisation acting on its behalf or an Clearing Organization to authenticate:
- a)** the identity of the sender of data or a communication;
  - b)** that the data or communication was that sent by the sender; and
  - c)** that the sender had the requisite authority to do so.
- 36) Limit of Liability** – the amount specified in Item 4 of the Schedule.
- 37) Computer System** – any computer hardware, software or any components thereof that are linked together through a network of two or more devices accessible through the internet or internal network (including cloud computing services) or that are connected through data storage or other peripheral devices (including mobile telephones and tablets).
- 38) Telephone System** – any private branch exchange, voice mail processor, automated callback attendant or a Computer System with a similar capacity, which is:
- a)** owned by or leased to the Insured; and
  - b)** used for the direction or routing of telephone calls in a voice communication network; and
  - c)** protected by a feature to automatically terminate a caller’s access to a Telephone System following a maximum of three unsuccessful attempts to input an authorisation code or barrier code used to obtain access to such system in order to perform security functions, system administration and maintenance functions and the code is changed at least once every 30 days.
- 39) Loss:**
- a)** Direct Financial Loss;
  - b)** any other losses covered under Section 1 (Covers); and

c) fees, costs and expenses covered under Section 2 (Costs and Expenses).

Loss shall not include (i) fines or penalties; or (ii) losses which are uninsurable by law.

- 40) Trade Secret** – information, including a formula, compilation, pattern, program, device, method, process or technique that derives independent economic value, actual or potential, from not being generally known and not readily ascertainable through proper means by another person who can obtain economic advantage from its disclosure or use.
- 41) Terrorism** – the use or threatened use of force or violence against person or property, or commission of an act dangerous to human life or property, or commission of an act that interferes with or disrupts an electronic or communication system, undertaken by any person or group of persons, whether or not acting on behalf of or in connection with any organisation, government, power, authority or military force, when the effect is to intimidate or coerce or harm a government, the civilian population or any segment thereof, or to disrupt any segment of the economy.
- Terrorism shall also include any act which is verified or recognised as an act of terrorism by the Polish Government or any Government in the jurisdiction where the act occurred.
- 42) Corporate Identity** – the publicly-available data on file or within the Computer System of an Insured or of an official registry or of any other party which relates to the Insured's formation and genuine identity, including memoranda and articles of association, statutorily-required returns or filings, official records of regulatory authorisations, licences or permits and records of legal compliance or infractions, and the purpose of which is to publicly document, authenticate or prove the existence and good standing of the entity or which may be relied upon by investors, Financial Organisations, vendors, credit reporting authorities and others in assessing and establishing the Insured's credit ratings and/or good standing.
- 43) Transaction** – any one of the following events:
- a) the Policyholder consolidating with or merging into another entity such that the Policyholder is not the surviving entity, or selling all or over 75% of all of its assets to any other person or entity or group of persons or entities acting in concert; or
  - b) acquiring Control of the Policyholder by:
    - i. any person or entity or group of persons or entities acting in concert; or
    - ii. any government, regulatory, funding body/entity or financial stability fund;
- 44) Policyholder** – the organisation specified in Item 1 of the Schedule.
- 45) Insured** – the Policyholder and any Subsidiary.
- 46) Insurer** – Colonnade Insurance S.A., 1, rue Jean Piret, L-2350 Luxembourg, Grand Duchy of Luxembourg, operating in Poland by Colonnade Insurance Société Anonyme (Joint Stock Company) Branch in Poland, 67 Prosta Street, 00-838 Warsaw, registered by the District Court for the Capital City of Warsaw, XIII Commercial Division of the National Court Register under number 0000678377, Tax Identity Number 1070038451.
- 47) Retention** – the amount specified in Item 6 of the Schedule.
- 48) Discovered or Discovery:**
- a) when any Responsible Person first has knowledge of any act, omission or event which could reasonably be foreseen to give rise to a Loss covered under the Insurance Agreement, even though the exact amount or details of such Loss, act, omission or event are not known at the time of Discovery.
  - b) when a claim is first made against the Insured alleging that the Insured is liable to a third party under circumstances which, if true, would cause a reasonable person to believe that a direct financial loss of the kind covered by the Insurance Agreement would be incurred.
- Such Discovery shall constitute Discovery by every Insured.
- 49) Insurance Agreement** – insurance agreement within the meaning of article 805 et seq. of the civil code concluded between the Policyholder and the Insurer, which consists of the General Terms and Conditions, the Schedule and the invoice, any extension or addition, application and other information provided by the Policyholder, the Insured or their representative.
- 50) Investment Vehicle:**
- a) any off-balance-sheet entity whose income consists primarily of returns on investments (including special purpose vehicles and structured investments); or
  - b) any fund, including an investment fund, trust in which a person other than the Policyholder has a direct or indirect legal or beneficial interest.
- 51) Routed Bill of Exchange** – a written document addressed by its issuer to a designated person (routing agent), signed by the issuer, instructing the routing agent unconditionally to pay (on presentation or on the specified payment date) a designated sum of money to or on behalf of a designated person and containing the word "bill of exchange" in its content.

- 52) **Bill of exchange drawn per Exhibitor** – A Bill of exchange or Promissory Note issued by or on behalf of a Financial Organisation in which the route is operated by that Financial Organisation and which is payable by that Financial Organisation.
- 53) **Promissory Note** – a written document, signed by its issuer, containing an unconditional promise to pay (on presentation or within a specified payment period) a specified sum of money to or on behalf of a specified person and containing the word “bill of exchange” in its content
- 54) **War** – any war, any invasion, act of foreign enemy, hostile operations (whether war has been declared or not), civil war, rebellion, revolution, insurrection, riot or civil commotion assuming the proportion of or amounting to a popular uprising, military or usurped power or martial law
- 55) **Contents** – the furnishings, fixtures, equipment, tangible computer related equipment, alarms, stationery, record books, supplies or safes and vaults, either owned by the Insured or for which the Insured is liable or the personal property of Employees or customers whilst on the Insured’s Premises.
- 56) **Uncertificated Security** – any stock, share, scrip, transfer, certificate, bond, coupon and all other types of securities shown as an electronic entry on the account of the transferor, pledgor or pledgee at a Central Depository.
- 57) **Payment Instruction:**
- any written, printed or faxed instruction or advice which is Tested, directed to the Insured authorising or acknowledging the transfer, payment, delivery or receipt of funds, Uncertificated Securities or Property; or
  - any written, printed or faxed instruction or advice which is Tested, prepared by the Insured and signed by an authorised signatory of the Insured authorising the transfer, payment, delivery or receipt of funds, Uncertificated Securities or Property.



## 6. Discovery, Notice and Claims Handling

### 6.1. DISCOVERY AND NOTIFICATION

- The Insured is obliged to report the Loss Discovered during Policy Period to the Insurer within 7 days from Discovery. In the case of violation of this duty due to wilful misconduct or gross negligence, the Insurer may reduce the compensation accordingly, if the violation contributed to the increase of the Loss or made it impossible for the Insurer to determine the circumstances and effects of events causing the Loss.
- All notifications must be sent to the Insurer in writing, by email or by facsimile to the address, email address or facsimile number in Item 13 of the Schedule.

### 6.2. LOSS ADJUSTMENT PROCESS

- Upon receipt of the notification referred to in Section 6.1 (Discovery and Notification), the Insurer shall undertake proceedings concerning the determination of the actual state of the event, the legitimacy of the claims made and the amount of benefit, and shall inform the person making the claim in writing or in any other way specified in the Insurance Agreement what documents are needed to determine the liability of the Insurer or the amount of compensation.
- The Policyholder and all the Insureds are obliged to provide all reasonable assistance to the Insurer and cooperate in determining the circumstances of each Loss and provide him/her with all information and documents which the Insurer may need. In particular, the Policyholder or the Insured shall provide the Insurer with a detailed report of losses and expenses incurred (including a completed damage report form in a form approved by the Insurer) within a period set by the Insurer.
- Where an act by an Employee is otherwise covered under the Insurance Agreement and the Insured is unable to identify such Employee by name, it must be proved beyond reasonable doubt that the Loss was due to the act of such Employee.
- The Insurer is obliged to pay the compensation within 30 days, counting from the date of receiving the notification. If it proves impossible to explain within the above mentioned period the circumstances necessary to determine the liability of the Insurer or the amount of the compensation, the compensation shall be provided within 14 days from the day when it was possible to explain these circumstances with due diligence. However, the undisputed part of the compensation shall be paid by the Insurer within 30 days from the date of receipt of the notification.

### 6.3. MITIGATION OBLIGATION

In case of Discovery, each Insured shall be obliged to use the means available to him/her in order to prevent the Loss and reduce or limit its size. In case of breach of this duty due to wilful misconduct or gross negligence, the Insurer shall be free from liability for the losses arising therefrom.

## 6.4. SUBROGATION

- 1) In case of payment of any amount on the basis of the Insurance Agreement, the Insured's claim against a third party responsible for the loss is transferred to the Insurer up to the amount of the compensation paid. If the Insurer covered only a part of the loss, the Insured shall have priority of satisfaction over the Insurer's recourse claim for the remaining part. All Insureds shall provide all reasonable assistance and shall not take any actions aimed at infringing the above mentioned rights of the Insurer. In case of violation by the Insured of the above duties due to willful misconduct or gross negligence, the Insurer may refuse to pay or reduce the compensation.
- 2) The Insured shall not be in breach of this Section 6.4 (Subrogation) by virtue of any limitation of, waiver of or release from liability of any third party provided that such limitation, waiver or release is a requirement of, or a condition contained within the membership rules, regulations or user agreements of:
  - a) any regulated exchange, clearing house or any other regulated trading facility, system or network providing services or functionality of a similar nature;
  - b) any party with which the Insured has an agreement for the safekeeping of registration and entitlement records for the Insured in connection with securities; or
  - c) VocaLink Limited, Fedwire, Clearing House Interbank Payment System (CHIPS), Society for Worldwide Interbank Financial Telecommunication (SWIFT), Clearing House Automated Payment System (CHAPS), Krajowa Izba Rozliczeniowa SA (KIR), and organisations performing substantially similar functions in any jurisdiction.



## 7. Limit and Retention

### 7.1. LIMIT OF LIABILITY

- 1) The total amount payable by the Insurer under the Insurance Agreement shall not exceed the Limit of Liability. The Insurer shall have no liability in excess of all such limits, irrespective of the number of Losses Discovered. Any sum paid by the Insurer under the Insurance Agreement shall erode the Limit of Liability.
- 2) Each Sub-Limit of Liability specified in the Schedule is the maximum the Insurer shall pay for the cover to which it applies and is part of the Limit of Liability.

### 7.2. RETENTION

- 1) The Insurer will only pay for any amount of Single Loss which is in excess of the Retention. The Insured will be liable for the Retention which will remain uninsured. If more than one Retention applies the largest applicable Retention shall apply.
- 2) A single Retention shall apply to each Single Loss.

### 7.3. OTHER INSURANCE

Unless otherwise required by law, insurance provided by Insurance Agreement applies in excess over insurance and indemnification available from any other source.



## 8. Basis of Valuation and Recoveries

The valuation of Loss under the Insurance Agreement shall be determined as follows:

### 8.1. DEDUCTIONS

Deductions shall be made in respect of any property (including Property) received from any source whatsoever, including payments and receipt of principal, interest, dividends, commissions and the like, whenever received, in connection with any matter from which an indemnifiable Loss has arisen.

### 8.2. BENEFITS

Where any Insured receives a benefit corresponding or relating to Loss of any other Insured that benefit will be set off against the value of such Loss.

### 8.3. FUNDS, CURRENCY AND PRECIOUS METALS

For funds, currencies or precious metals, as the actual market value, determined by that published by the Polish National Bank or other similar institution responsible for such publication at the close of business on the day the Loss was Discovered.

## 8.4. SECURITIES

- 1) Where Securities are able to be reissued in physical form or as Uncertificated Securities then the Insured may re-issue them, or arrange for them to be reissued, with the prior approval of the Insurer and the Direct Financial Loss shall be determined as the actual cost of their reissue plus any interest charges incurred in doing so; and the fees, if any, associated with that restoration;
- 2) Where for any reason it is not possible to re-issue Securities in physical form or as Uncertificated Securities the direct financial loss shall be determined by that published by the Polish National Bank or other similar institution responsible for such publication on the day of Discovery (or if Discovered during a weekend or national holiday, on the next Business Day thereafter) or, if less, the actual cost of replacing the Securities;
- 3) Loss determined in accordance with 1) or 2) above shall also include:
  - a) interest up to the date of Discovery necessarily incurred by the Insured, or for which the Insured is legally liable, as the direct result of a loss of securities covered under this Section of the Insurance Agreement; and
  - b) the loss of any subscription, conversion, redemption or other similar privileges which shall be valued at the closing market value of such privileges immediately preceding the expiration thereof.

## 8.5. BOOKS OF ACCOUNTS AND RECORDS

For the reproduction of books of accounts and records, the cost of blank books, blank pages or other materials plus the cost of labour and computer time for the actual transcription or copying of data furnished by the Insured.

## 8.6. ELECTRONIC DATA

For the reproduction of Electronic Data, the cost of replacing the Electronic Data Storage Media and the cost of labour for the actual transcription or copying of Electronic Data furnished by the Insured. However, if such Electronic Data cannot be reproduced and represents Securities or other financial instruments of value, then the Loss will be valued as indicated in the Securities section of this Section 8 (Basis of Valuation).

## 8.7. OTHER PROPERTY

For all other property (including Property), the actual cash value at the time of Loss or the actual cost of repairing or replacing the property with property or material of like quality or value, whichever is less.

## 8.8. INTEREST

For interest, the value determined by the Polish National Bank official base rate, or equivalent local central bank official base rate in the jurisdiction where the Loss occurred, at the close of business on the day the Loss was Discovered.



# 9. General

## 9.1. PREMIUM

- 1) The Insurer determines the Premium for the duration of the Policy Period based on an individual risk assessment. The Premium is not subject to indexation.
- 2) The Policyholder shall pay the Premium once in advance for the entire Policy Period or, with the consent of the Insurer, in instalments.
- 3) If the Premium is paid in installments, failure to pay the next installment of the Premium within the given term shall cause cessation of liability of the Insurer, with the reservation that the Insurer, after the lapse of the term, has summoned the Policyholder to pay, with the risk that failure to pay within 7 days from the date of receipt of the summoning will cause cessation of liability.
- 4) If the Insurer is liable before the payment of the Premium or its first instalment and the Premium or its first instalment has not been paid on time, the Insurer may terminate the Insurance Agreement with immediate effect and demand payment of the Premium for the period for which it was liable. If the Insurance Agreement is not terminated, it expires at the end of the period for which the unpaid Premium was due.
- 5) If the Insurance Agreement expires before the end of the Policy Period, the Policyholder is entitled to reimbursement of the Premium for the period of unused insurance cover.

## 9.2. JOINT POLICY

The Insurance Agreement is a single contract of insurance and if more than one Insured is covered the Insurance Agreement shall nevertheless be and remain a single contract of insurance for the benefit of the Insured as joint Insured.

### **9.3. WITHDRAWAL AND TERMINATION**

#### **9.3.1. Withdrawal**

The Policyholder has the right to withdraw from the Insurance Agreement within 7 days from its inception. Withdrawal from the Insurance Agreement shall not release the Policyholder from the obligation to pay the Premium for the period in which the Insurer provided insurance cover.

#### **9.3.2. Termination**

The Insurance Agreement expires as a result of submission by the Insurer or the Policyholder, in cases provided for in the Insurance Agreement or legal regulations, of a declaration on termination of the Insurance Agreement.

### **9.4. CHANGES IN RISK DURING THE POLICY PERIOD**

#### **9.4.1. Acts**

The Insurer shall only be liable to make any payment under the Insurance Agreement in respect of acts or events occurring:

- a) prior to the date of a Transaction; or
- b) while an entity was or is a Subsidiary; or
- c) prior a receiver, liquidator, administrator or equivalent under the laws of any jurisdiction is appointed to any Insured during the Policy Period.

#### **9.4.2. Information obligation**

- 1) Each Insured shall be obliged to inform the Insurer of all circumstances known to them, which the Insurer asked for in the offer form or before the conclusion of the Insurance Agreement in other letters. If the Insured concludes the agreement by a representative, this obligation is also binding on the representative and includes circumstances known to him/her. If the Insurer concludes the Insurance Agreement despite lack of answers to individual questions, the omitted circumstances shall be considered insignificant.
- 2) During the Policy Period, the Insured shall be obliged to notify the Insurer of any change in the above circumstances immediately after being informed about them.
- 3) The Insurer shall not be liable for the consequences of circumstances which, in breach of the above duties, have not been notified to the Insurer. If a breach of the above duties has occurred through willful misconduct, in case of doubt it shall be assumed that the Loss results from the circumstances referred to above.

#### **9.4.3. Notice and Authority**

The Policyholder shall act on behalf of all Insureds in connection with all matters relevant to the Insurance Agreement.

### **9.5. ASSIGNMENT**

The Insurance Agreement and any rights under or in respect of it cannot be assigned without the prior written consent of the Insurer.

### **9.6. INSURANCE AGREEMENT INTERPRETATION**

The descriptions in the headings and titles of the Insurance Agreement are solely for reference and convenience and do not lend any meaning to the Insurance Agreement. Words and expressions in the singular shall include the plural and vice versa. Words following the terms including, include or any similar expression shall be construed as illustrative. Words in capital letters have special meaning and are defined in the Insurance Agreement or in the Schedule. Words that are not specifically defined in the Insurance Agreement have the meaning normally attributed to them.

### **9.7. GOVERNING LAW**

The Insurance Agreement and any dispute or claim arising out of or in connection with it or its subject matter or formation (including non-contractual disputes or claims) shall be governed by and construed in accordance with the Polish law.

### **9.8. DISPUTES**

Any disputes or claims arising out of or related to the Insurance Agreement, its subject matter or concerning its conclusion, validity, performance, termination or withdrawal (including non-contractual disputes or claims) shall be settled by a common court having jurisdiction over the registered office of the defendant or by a common court having jurisdiction over the place of residence or registered office of the Policyholder or the Insured, or by arbitration proceedings, if the parties agree to do so after the dispute has arisen.

### **9.9. DOUBLED INSURANCE**

If the same object of insurance is insured against the same risk at the same time with two or more insurers for amounts which jointly exceed its value, the Policyholder/Insured may not claim a benefit exceeding the amount of loss.

## 9.10. COMPLAINTS

- 1) If you, the Insured or the Policyholder disagree with our decisions to deny a claim or you have other complaints or grievances, you can apply to us for a review.
- 2) You, the Insured, the Policyholder, the person entitled under the Insurance Agreement, as well as any heir who has a legal interest in determining liability or enforcing a benefit under the Insurance Agreement have the right to make complaints about the services we provide. You may submit them:
  - a) on paper to Colonnade: ul. Prosta 67, 00-838 Warszawa, or
  - b) electronically by e-mail to reklamacje@colonnade.pl or to an electronic delivery address AE:PL-60996-58497-FSEAB-16, or
  - c) verbally: by phone to 22 528 51 00 or in person for the record during your visit to our office.
- 3) We will deal with a complaint as quickly as possible, but at the latest within 30 days of receipt, or in particularly complex cases within 60 days of receipt. The date of the reply is deemed to be the date of dispatch.
- 4) If, in particularly complex cases, we are unable to respond to the complaint within 30 days, we will inform you:
  - a) of the reason for the delay;
  - b) what additional information is needed;
  - c) the new deadline for our response.
- 5) We respond to complaints in writing:
  - a) electronically: if a complaint is submitted in writing electronically, unless the complaining party requests that the response should be made in writing on paper;
  - b) on paper: if a complaint is submitted in writing on paper, unless the complaining party requests that the response should be made in writing electronically;
  - c) on paper or electronically, as requested by the complaining party: if a complaint is submitted verbally.
- 6) In addition, complaints can also be made to:
  - a) Financial Ombudsman,
  - b) Commission for Financial Supervision, which supervises our activities in Poland,
  - c) Municipal and District Consumer Ombudsmen.
- 7) If we do not accept a claim or complaint, you, the Policyholder, the Insured, the Beneficiary, the person entitled under the Insurance Agreement, as well as any heir who has a legal interest in determining liability or enforcing a benefit under the Insurance Agreement have the right to apply to the Financial Ombudsman to review the case or to carry out an out-of-court dispute resolution procedure between the customer and the financial market operator. More information is available at <http://www.rf.gov.pl>.
- 8) Notwithstanding the provisions of this paragraph, the Policyholder/Insured or any other person entitled to benefit shall have the right to take legal action in order to settle their claims.

## 9.11. SANCTIONS

The Insurer shall not be deemed to provide cover and Insurer shall not be liable to pay any claim or provide any compensation hereunder to the extent that the provision of such cover, payment of such claim or provision of such compensation would expose the Insurer or its controlling entity to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of the European Union, United Kingdom or United States of America.

## 9.12. PROVIDING INSURANCE COVER

- 1) Subject to provisions of item 3) below, insurance cover for the Insureds is provided at the moment indicated in the Schedule and does not require accession of the Insured to the Insurance Agreement.
- 2) The Premium is determined as a lump sum and is not dependent on the number of Insureds.
- 3) Assigning by the Policyholder particular Insureds with Premium expense or part of the Premium expense requires a written prior consent of the Insurer. Insurance protection of such Insureds starts on the date indicated in the decision of the Insurer to consent to finance the costs of the Premium by the Insureds.
- 4) The Insurer shall take the decision to consent to finance the cost of the Premium by the Insureds after receiving confirmation from the Policyholder that the terms and conditions of the Insurance Agreement were presented to all such Insureds along with written confirmations from each such Insured that the terms and conditions of the Insurance Agreement were delivered to such Insured.



## Rules for the Processing of Personal Data

The Controller of personal data is Colonnade Insurance S.A. registered in Luxembourg under the number: B 61605, registered office: rue Jean Piret 1, L-2350 Luxembourg, operating in Poland through Colonnade Insurance Société Anonyme Branch in Poland, with its registered office at Prosta 67 street, 00-838 Warsaw (hereinafter: Colonnade or Controller). The legal basis and purpose of the processing of the general personal data is to take steps prior to the conclusion of the contract and to conclude and perform the contract. When personal data of other persons are obtained from the policyholder or any other person contacting the Controller, the legally justified purpose of processing such data is the performance of the contract which is the legal basis for processing. With regard to data concerning the health status of the insured or persons entitled under an insurance contract, included in insurance contracts or declarations submitted prior to the conclusion of an insurance contract, they may be processed respectively for the purpose of insurance risk assessment or the performance of an insurance contract, to the extent necessary in view of the purpose and type of insurance and the legal basis for their processing is the insurance company's entitlement under the Act on Insurance and Reinsurance Activity. In other cases, health data may be processed on the basis of the data subject's consent or on the basis of and for the purpose of establishment, exercise or defence of legal claims.

Personal data may also be processed in order to comply legal obligations imposed on the Controller, and the necessity of processing such data always arises from the law (concerning: insurance activity, claims handling, tax and accounting issues, statistical and actuarial obligations and consumer protection) and for purposes arising from the legitimate interests of the Controller (i.e. reduction of insurance risks by reinsurance, prevention of losses of the Controller by preventing insurance crime, direct marketing of the Controller's own products by conducting analytical activities and contacting the data subject, ensuring compliance with international sanctions by conducting analyses, and asserting or defending against claims arising from the Controller's activities, including taking the necessary steps to secure them).

Personal data may be disclosed to other entities only in connection with the fulfilment of the above-mentioned purposes and on the basis of a written agreement (e.g. to IT service providers, insurance brokers, loss adjusters, debt collectors, marketing agencies) or in connection with purpose of the legitimate interests pursued by the Controller (e.g. to insurance companies, reinsurers, financial institutions or entities providing direct services to the data subject).

Depending on the purpose, personal data are always processed for no longer than the period of limitation of claims or the applicable law. Personal data may be transferred by Colonnade to third countries (outside the European Economic Area) only in situations defined by law, in particular when conditions are met to ensure an adequate level of security of the personal data. The transfer of personal data may take place, inter alia, on the basis of standard data protection clauses adopted by the European Commission, on the basis of a decision of the European Commission finding an adequate level of protection in accordance with Article 45 of the GDPR, or on the basis of the "EU-US Data Privacy Framework", which means that the application of adequate measures for the protection and security of personal data required by European legislation is ensured. In other cases of transfer of personal data outside the European Economic Area, information on this will be made available in the valid privacy notice.

The data subject has the right to request access to personal data, the right to rectify, erase or restrict processing, the right to object to processing, the right to data portability and the right to lodge a complaint to the supervisory authority in charge of personal data protection (both in Poland and in Luxembourg), as well as the right to withdraw the consent. The provision of personal data is necessary for the conclusion and performance of the contract and the fulfilment of Colonnade's legal obligations. Without providing personal data it is not possible to conclude a contract. The provision of a telephone number is optional, as is an e-mail address, unless it is necessary for the provision of insurance documentation. However, direct marketing by e-mail or phone will not be possible without prior consent. Consent may be withdrawn at any time as indicated below and without affecting the lawfulness of the processing carried out on the basis of consent before its withdrawal.

The Controller can be contacted by writing to the Colonnade branch address, by calling +48 22 276 26 00 and by sending an e-mail: [info@colonnade.pl](mailto:info@colonnade.pl). In all matters concerning the processing of personal data, in particular exercising rights related to data processing, right to object or transfer of data outside the EEA area, you can contact the Data Protection Officer at Colonnade ([dpo@colonnade.pl](mailto:dpo@colonnade.pl)) or by sending a letter to the address of Colonnade.

# COLONNADE

A FAIRFAX COMPANY

