



# **D&O Protect**

GENERAL TERMS AND CONDITIONS OF  
DIRECTORS AND OFFICERS LIABILITY  
INSURANCE

# Contents

<b>PRELIMINARY PROVISIONS</b>	4
<b>DURATION OF INSURANCE COVERAGE</b>	4
§ 1 TRIGGER	4
§ 2 EXTENDED REPORTING PERIOD FOR THE INSURED	4
§ 3 EXTENDED REPORTING PERIOD FOR A RESIGNING INSURED PERSON	4
<b>SECTION 1 – INDIVIDUAL COVER FOR INSURED PERSONS</b>	5
§ 4 SCOPE OF INDIVIDUAL COVER FOR INSURED PERSONS	5
<b>SECTION 2 – ENTITY COVER</b>	6
§ 5 SCOPE OF ENTITY COVER	6
<b>EXTENSIONS</b>	6
§ 6 SUBJECTIVE COVER EXTENSIONS	6
§ 7 PRINCIPLES OF COVER PROVIDED UNDER EXTENSIONS	7
<b>DEFINITIONS</b>	8
§ 8 MEANING OF TERMS USED IN THE INSURANCE CONTRACT	8
<b>EXCLUSIONS</b>	15
§ 9 EXCLUSIONS OF THE INSURER'S LIABILITY	15
<b>GENERAL PROVISIONS</b>	17
§ 10 CONCLUSION OF THE INSURANCE CONTRACT	17
§ 11 PREMIUM	17
§ 12 EXCESS LIMITS	17
§ 13 SUM INSURED	17
§ 14 RETENTION	18
§ 15 NOTIFICATION OBLIGATIONS	18
§ 16 NOTIFICATION OF CIRCUMSTANCES	18
§ 17 SERIAL INSURANCE EVENTS	18
§ 18 CONDUCTING THE DEFENCE	19
§ 19 CONDITIONAL PAYMENT OF COSTS, FEES AND EXPENSES	19
§ 20 EMERGENCY PAYMENT OF COSTS, FEES AND EXPENSES BY THE INSURED	19
§ 21 SETTLEMENT, JUDGMENT, COSTS	19
§ 22 ALLOCATION	20
§ 23 ORDER OF PAYMENT OF BENEFITS	20
§ 24 TRANSFER OF RIGHTS AND COOPERATION	20
§ 25 OTHER INSURANCE	20
§ 26 COMPANY KNOWLEDGE	20
§ 27 TERRITORIAL SCOPE OF COVERAGE	20
§ 28 DOUBLE INSURANCE	20
§ 29 MAKING DECLARATIONS AND PERFORMING ACTIONS	21
§ 30 NO ASSIGNMENT	21
§ 31 GOVERNING LAW	21
§ 32 DISPUTE RESOLUTION	21
§ 33 CHANGE TO THE TERMS AND CONDITIONS OF THE INSURANCE CONTRACT	21
§ 34 RULES OF INTERPRETATION	21
§ 35 PAYMENT OF BENEFIT	21
§ 36 COMPLAINTS	21
§ 37 COVERAGE	21

## Information note

Please read carefully the following Terms and Conditions of Directors and Officers Liability Insurance. These general terms and conditions of insurance consist of Introductory provisions, Insurance cover, Extensions, Definitions, Exclusions and General provisions which, as a whole, state what is covered and what events are excluded from the insurance cover.

In particular, note that:

- 1) information on the conditions for payment of compensation and other benefits is contained in the following sections of the terms and conditions of insurance:  
§ 1, § 2(1)-(2), § 3, § 4, § 5, § 6, § 7, § 12, § 19, § 20, § 21, § 23, § 27, § 37;
- 2) information concerning the limitations and exclusions of the insurer's liability which entitle the insurer to refuse or limit payment of compensation and other benefits are contained in the following sections of the general terms and conditions of insurance:  
§ 2(4)-(5), § 3(3) and (6), § 9, § 11(3-4), § 13(2), (4) and (6), § 14, § 15(3), § 18(1), (4) and (6), § 19(3) and (4), § 20(3), § 21(1), (3) and (4), § 22, § 25.



## D&O PROTECT – GENERAL TERMS AND CONDITIONS OF DIRECTORS AND OFFICERS LIABILITY INSURANCE

approved by the Director of Colonnade Insurance Société Anonyme Branch in Poland on 18.06.2024 (hereinafter: General Terms and Conditions), applicable to insurance contracts executed after 24.06.2024.



### Preliminary provisions

The Insurance Contract, as a contract of supreme trust, is concluded on the basis of the statements made to the Insurer prior to its conclusion and the information and materials provided, on which the Insurer will rely in performing the Insurance Contract.



### Duration of insurance coverage

#### § 1 Trigger

The coverage shall extend only to Losses connected with or resulting from Insurance Events occurring for the first time during the Policy Period or the Extended Reporting Period (if applicable).

#### § 2 Extended Reporting period for the Insured

1. If the Insurer and the Policyholder do not conclude another insurance contract for D&O insurance and the Policyholder does not conclude an insurance contract for the same risks with another insurer, and in the absence of any other provisions of the Insurance Contract to the contrary, the Insured shall be entitled to an Extended Reporting Period of 60 days, which shall commence automatically immediately after the expiry of the Policy Period without the payment of an additional premium.
2. The Extended Reporting Period may be extended to the period specified in item 5b of the Schedule, provided that the Policyholder sends a statement to the Insurer regarding the wish to extend this period and pays the additional premium specified in item 5b of the Schedule within 60 days after the expiry of the Policy Period.
3. The extension of the Extended Reporting Period under the terms of point 2 shall be confirmed by the Insurer by an annex to the Schedule.
4. If, during the Extended Reporting Period, the Insurer and the Policyholder conclude another directors and officers liability insurance contract or the Policyholder concludes another insurance contract with another insurer for the same risks, the Extended Reporting Period shall cease to apply from the date of commencement of cover under that subsequent insurance contract.
5. The Extended Reporting Period shall not commence in the event of non-payment of premium or any instalment thereof in accordance with the terms and conditions of the concluded Insurance Contract.

#### § 3 Extended Reporting Period for a resigning Insured Person

1. Subject to the further provisions of this paragraph, if:
  - 1) the Insurer and the Policyholder do not conclude another directors and officers liability insurance contract,
  - 2) no other insurance contract concerning the same risks is concluded for the benefit of Insured Person, or
  - 3) where such insurance contracts do not provide cover for such Insured Person, and
  - 4) in the absence of contrary provisions in the Insurance Contract,with respect to any person who, during the Policy Period, ceases to perform the functions described in the definition of Insured Person for any reason other than the deprivation of the right to perform such function by virtue of a court decision or other decision of a Competent Body, the Extended Reporting Period shall continue indefinitely without the obligation to pay an additional premium.
2. In the case of a Transaction that took place during the Policy Period, the Extended Reporting Period referred to in point 1 shall be reduced to 72 months.
3. Where, after expiry of the Policy Period, the Insurer and the Policyholder conclude another insurance contract for the benefit of the Insured Person referred to in point 1, the insurance cover available to the Insured Person during the Extended Reporting Period under the Insurance Contract shall cease to apply to the extent and within the limit of the Sum Insured

that the Insured Person is covered under the subsequent insurance contract. In such a case, the cover under the Extended Reporting Period shall apply:

- 1) only to the extent that the Insured Person has no cover under this subsequent insurance contract – up to the remaining limit or sub-limit of the Sum Insured;
  - 2) insofar as the Insured Person has insurance cover under this subsequent insurance contract – only as an excess cover after the insurance cover under this subsequent insurance contract has been fully exhausted and only up to the difference between the remaining limit or sublimit of the Sum Insured and the limit or sublimit of the sum insured of this subsequent insurance contract.
4. If, after the expiry of the Policy Period, an insurance contract is concluded for the benefit of the Insured Person with insurance companies other than the Insurer, the cover provided under the Insurance Contract to which the Insured Person is entitled during the Extended Reporting Period shall apply only as excess cover after the total limit of the sum insured of such insurance contract has been exhausted.
5. For the avoidance of doubt, it is understood that the provisions of this paragraph shall not apply to Insured Persons who, during the Policy Period, cease to perform the functions described in the definition of Insured Person, but, at the latest on the last day of the Policy Period, shall again perform one of such functions.
6. The Extended Reporting Period shall not commence:
- 1) in the event of non-payment of the premium or an instalment thereof in accordance with the terms and conditions of the Insurance Contract;
  - 2) in respect of an Insured Person who, during the Policy Period, ceases to perform the functions described in the definition of Insured Person after committing an intentional tortious act confirmed by a final judgment or other final decision of a Competent Body.



## Section 1 – Individual Cover for Insured Persons

### § 4 Scope of individual cover for Insured Persons

Unless otherwise stated in the Insurance Contract and the Insured Person's Loss is not covered by the Company, the Insurer shall pay the following benefits to or on behalf of the Insured Person as part of the coverage of the Loss:

**1) in connection with the raising of the Claim:**

- a) the amount of indemnity or compensation which the Insured Person will be obliged to pay on the basis of a final court judgment or arbitration award, settlement (judicial or extrajudicial) or admitted liability, subject to the provisions of § 21,
- b) costs and expenses of the party raising a covered Claim, including those of witnesses and court experts, that have been validly awarded against the Insured Person,
- c) Disciplinary Fines,
- d) Defence Costs,
- e) Costs of Attendance,
- f) Reputation Recovery Costs,
- g) Psychological Support Costs,
- h) Vehicle Rental Costs;

**2) in connection with the opening of the Official Proceedings:**

- a) the amount of the Company's statutory levies for which the Insured Person will be liable on the basis of a decision of the Competent Body issued on the basis of Article 107 in conjunction with Articles 116 and 116a of the Tax Ordinance Act of 29 August 1997 or any other domestic or foreign regulation governing liability for the Company's statutory levies,
- b) costs and expenses of the Competent Body or the party at whose request the covered Official Proceeding was instituted, including those of witnesses and experts, which have been validly awarded against the Insured Person,
- c) Administrative Fines,
- d) Disciplinary Fines,
- e) Defence Costs,
- f) Bail Bond and Civil Bond Costs,
- g) Asset Proceeding Costs,
- h) Liberty Proceeding Costs,

- i) Attendance Costs,
  - j) Reputation Recovery Costs,
  - k) Psychological Support Costs,
  - l) Vehicle Rental Costs;
- 3) in connection with initiation of Investigation:**
- a) Investigation Costs,
  - b) Disciplinary Fines,
  - c) Attendance Costs;
- 4) in connection with the occurrence of Dawn Raid:**
- a) Dawn Raid Costs,
  - b) Disciplinary Fines;
- 5) in connection with notifying the Circumstances to the Insurer:**
- a) Mitigation Costs,
  - b) Reputation Recovery Costs,
  - c) Psychological Support Costs.



## Section 2 – Entity Cover

### § 5 Scope of Entity Cover

1. The Insurer shall reimburse the Company or pay on its behalf any sums which the Company has paid or is required to pay to cover the Insured Person's Loss.
2. Unless otherwise provided in the Insurance Contract, the Insurer shall also pay the following benefits to or on behalf of the Company as part of the cover for the Loss:
  - 1) in connection with the raising of a Securities Claim:**
    - a) amounts of indemnity which the Company shall be obliged to pay on the basis of a final court judgment or arbitration award, settlement (judicial or extrajudicial) or admitted liability, subject to the provisions of § 21;
    - b) the costs and expenses of the party raising a covered Securities Claim, including those of witnesses and experts, which have been validly awarded against the Company;
    - c) Company Defence Costs;
  - 2) in connection with the raising of a Joint and Several Liability Claim:**
    - a) amounts of indemnity which the Company shall be obliged to pay on the basis of a final court judgment or arbitration award, settlement (judicial or extrajudicial) or admitted liability, subject to the provisions of § 21;
    - b) the costs and expenses of the party raising a covered Joint and Several Liability Claim, including those of witnesses and experts, which have been validly awarded against the Company;
    - c) Company Defence Costs;
  - 3) in connection with the occurrence of Dawn Raid:**  
Company Dawn Raid Costs;
  - 4) in connection with the occurrence of a Critical Company Event:**  
Critical Company Event Costs;
  - 5) in connection with notifying the Circumstances to the Insurer:**  
Company Mitigation Costs.



## Extensions

### § 6 Subjective cover extensions

#### Cover for Subsidiaries and Insured Persons acting for or on behalf of Subsidiaries

1. The cover provided under the Insurance Contract shall also apply to entities and Insured Persons acting for or on behalf of entities that meet the definition of a Subsidiary prior to or on the date of commencement of the Policy Period.

### **Cover for newly incorporated Subsidiaries and Insured Persons acting for or on behalf of newly incorporated Subsidiaries**

2. If the Company establishes a Subsidiary during the Policy Period, then such Subsidiary and the Insured Persons acting for it or on its behalf shall be automatically covered under the Insurance Contract from the date of its establishment, unless such newly established entity:
  - 1) is established outside the territory of the European Union, or
  - 2) is a Financial Institution.

### **Coverage for newly acquired Subsidiaries and Insured Persons acting for or on behalf of newly acquired Subsidiaries**

3. If the Company acquires a Subsidiary during the Policy Period, then such Subsidiary and the Insured Persons acting for it or on its behalf shall be automatically covered under the Insurance Contract from the date of its acquisition, unless one of the following conditions applies:
  - 1) the total net revenues of the acquired entity exceed 30% of the Company's total consolidated net revenues as at the last day of the financial year ended prior to the commencement of the Policy Period; if the total net revenues of the newly acquired entity exceed the above threshold, cover for such entity shall be provided for a period of 60 days or until the end of the Policy Period (whichever period ends earlier), and any further extension of this period shall be subject to the Insurer's approval, which may be subject to the Policyholder sending additional information requested by the Insurer and payment of any additional premium;
  - 2) the securities or securities equivalents of such newly acquired entity in the form of ADRs are listed on any stock exchange or market (including the OTC market) in the United States of America;
  - 3) such newly acquired entity is established outside the European Union; or
  - 4) such newly acquired entity is a Financial Institution.

### **Cover for Affiliates and Insured Persons acting for or on behalf of Affiliates**

4. The cover provided under the Insurance Contract shall also apply to Affiliates and Insured Persons acting for or on behalf of Affiliates.

### **Cover for Persons Delegated to an Outside Entity**

5. The Insurer shall cover the Loss of any Insured Person who was, is or becomes a Delegated Person at the same time, unless such person's Loss was covered by an Outside Entity or the Company.

### **Cover for spouses and heirs**

6. The Insurer shall pay for the Loss of each Insured Person arising solely as a result of a Claim raised against the Insured Person due to a Wrongful Act of the Insured Person, which shall be satisfied by the Insured Person's spouse, life partner (i.e. a person unrelated to the Insured Person who is permanently residing and running a joint household with the Insured Person), as well as other heirs of the Insured Person – as a result of the transfer of responsibility for the settlement of this Claim to the heirs.

## **§ 7 Principles of cover provided under extensions**

1. Subject to points 2 and 3, the cover provided to the Subsidiary or Affiliate and to the Insured Person acting for or on behalf of the Subsidiary or Affiliate shall only cover Wrongful Acts occurring during the period in which those entities met the definition of Subsidiary or Affiliate, respectively.
2. At the request of the Policyholder, on a separately agreed basis and against payment of an additional premium, the Insurer may provide cover for Wrongful Acts of a Subsidiary, Affiliate or Insured Person acting for or on behalf of a Subsidiary or Affiliate, respectively, occurring prior to the time such entity became a Subsidiary or Affiliate, respectively.
3. Unlike as provided in point 1, in the event of a management buyout the cover granted to the Insured Person acting for or on behalf of a Subsidiary shall also cover Wrongful Acts of such person occurring during the period specified in item 9q of the Schedule, counted from the day when, as a result of such a management buyout, such entity ceased to fulfil the conditions indicated in the definition of a Subsidiary, but not longer than until the end of the Policy Period. For the avoidance of doubt, a management buyout shall be deemed to be the acquisition of shares in a Subsidiary by the members of its management board as a result of which:
  - 1) they have directly or indirectly a majority of the votes at the shareholders' meeting or at the general meeting or in the management board, including by means of agreements with other persons;
  - 2) they are entitled to appoint or remove a majority of the members of the management or supervisory board, including by means of agreements with other persons.
4. The insurance cover provided to the Delegated Person shall only cover the Delegated Person's Wrongful Acts occurring during the period in which the Delegated Person, at the express written request or with the written consent of the Company, served as a member of the statutory bodies or as a proxy of the Outside Entity.

5. At the request of the Policyholder, the Insurer may cover Wrongful Acts of an Insured Person delegated by the Company to act as a member of the statutory bodies or as a proxy of an entity that does not meet the definition of an Outside Entity, on terms agreed with the Policyholder and against payment of an additional premium.



## Definitions

### § 8 Meaning of terms used in the Insurance Contract

The following terms, when used in the General Terms and Conditions and other documents comprising the Insurance Contract, shall be understood only in accordance with their meaning as defined below:

- 1) **Continuity Date** means the date or dates shown in item 6 of the Schedule. [«]
- 2) **Financial Institution** means any bank, investment fund, investment fund manager, alternative investment fund managed by an alternative investment fund manager within the meaning of the regulations on investment funds and management of alternative investment funds, carrying out activities on the basis of an authorisation and such manager, insurance company, reinsurance company, pension fund manager, pension fund or brokerage house. [«]
- 3) **Administrative Fine** means an administrative sanction of a pecuniary nature, as defined by law, imposed on an Insured Person by a decision of the Competent Body taken in the Official Proceeding, following a Wrongful Act consisting of a negligent failure to comply with a duty or a negligent violation of a prohibition incumbent on an Insured Person, resulting in an infringement of the law, insofar as such Administrative Fine:
- a) does not result from a breach of tax law or law regulating other types of statutory levies; and
  - b) is subject to insurance under the applicable law in the jurisdiction. [«]
- 4) **Bail Bond and Civil Bond Costs** mean the costs incurred by the Insured Person to obtain funds to pay bail bond or civil bond imposed in the course of an Official Proceeding, excluding the amount of such bail bond or civil bond itself. [«]
- 5) **Mitigation Costs** mean the costs, fees and expenses incurred by the Insured Person for the remuneration of a lawyer, solicitor or tax adviser in connection with the Circumstances notified to the Insurer in accordance with the terms and conditions described in § 16 of the General Terms and Conditions and for the purpose of preparing:
- a) defence of the Insured Person against an expected Claim or Official Proceeding or to obtain advice on how the Insured Person can proactively avoid an expected Claim or Official Proceeding or minimise their effects;
  - b) extrajudicial letters aimed at avoiding or minimising the effects of a Claim or Official Proceeding expected by the Insured Person;
  - c) an action for revocation or declaration of invalidity of the resolution not to discharge the Insured Person and the representation of the Insured Person in the proceedings initiated by such action;
  - d) the Insured Person for any act, meeting or hearing and in connection with the Insured Person's participation in any such act, meeting or hearing concerning the alleged or actual Wrongful Act relating to the affairs of the Company or the Insured Person for the purpose of actively avoiding an expected Claim or Official Proceeding or minimising their potential consequences, insofar as such acts, meetings and hearings are not part of the Investigation or Official Proceeding.

The remuneration of a lawyer, solicitor or tax adviser shall also include the costs incurred by them in using the necessary services of an appropriate expert to perform the above services for the Insured Person. [«]

- 6) **Company Mitigation Costs** mean the costs, fees and expenses incurred by the Company for the remuneration of a lawyer or solicitor to prepare the Company's defence against an expected Securities Claim or to obtain advice on how the Company can proactively avoid or minimise the effects of an expected Securities Claim in relation to the Circumstances notified to the Insurer in accordance with the terms and conditions described in § 16 of the General Terms and Conditions.

The lawyer's or solicitor's fees shall also include the costs incurred by them in using the necessary services of an appropriate expert to perform the above services for the Company. [«]

- 7) **Vehicle Rental Costs** mean the documented costs of renting a vehicle from a car rental company incurred by the Insured Person. The Vehicle Rental Costs to be reimbursed by the Insurer shall be limited to the average market rates for rental of vehicles of the same class as the company car used by the Insured Person, as applied by vehicle rental companies.

The Vehicle Rental Costs shall apply:

- a) only to those Insured Persons who, during the Policy Period, had the right to use a company car for private purposes and lost it as a result of a covered Claim or Official Proceeding;
  - b) during the period indicated in item 9j of the Schedule, calculated from the date of loss of the right to use the company car. [«]
- 8) **Dawn Raid Costs** mean the costs, fees and expenses incurred by the Insured Person for the remuneration of a solicitor, legal or tax advisor for the purpose of representation and providing legal assistance to the Insured Person directly in con-



nection with the Insured Person's participation in a Dawn Raid, insofar as these costs, fees and expenses are not covered by the Company. [«]

**9) Company Dawn Raid Costs** mean the costs, fees and expenses incurred by the Company during the period specified in item 9w of the Schedule in respect of the remuneration for the services of a solicitor, legal or tax adviser provided to the Company during the following activities undertaken as part of a Dawn Raid by representatives of the Competent Body:

- a) searching the Company's premises or the Insured Person's private premises,
- b) searching for, copying, confiscating records or requesting their release,
- c) searching for, copying, processing and examining computer systems or electronic data or requesting their disclosure, access or decryption,
- d) search, examination or seizure of electronic equipment,
- e) questioning employees of the Company, requesting an answer either orally or in writing,
- f) recording, drawing up minutes, notes, statements and any other documentation in relation to the inspection activities undertaken in the course of the inspection, or
- g) closing or sealing the premises of the Company or the Insured Person.

The Company Dawn Raid Costs shall also include the costs incurred to draw up the objection referred to in Article 59 of the Act of 6 March 2018 – Entrepreneurs Law or in any equivalent foreign regulation. [«]

**10) Defence Costs** mean the costs, fees and expenses incurred by the Insured Person for judicial or extrajudicial representation, legal assistance and defence of the Insured Person against a covered Claim or within the scope of a covered Official Proceeding, including for the purpose of applying the Insured Person's remedies against judgements, orders, decrees or decisions:

- a) for the remuneration of a solicitor, legal or tax advisor or other persons who, according to the law in force, may act as defence counsel or attorney at law, as well as any other employees of the law firm who, under the supervision of the aforementioned persons, perform duties entrusted to them connected with the representation, legal assistance or defence of the Insured Person;
- b) for the remuneration of an appropriate expert or appraiser for the preparation of a valuation, opinion, report, evaluation, diagnosis or rebuttal of evidence; or
- c) for costs of necessary translations, court costs and fees, expert witness fees, mediation or arbitration fees and costs of witnesses.

In the event of a Claim being brought or Official Proceeding being instituted in a country other than the Insured Person's country of residence, the Defence Costs shall also include the Insured Person's costs of using a lawyer licensed in the Insured Person's country of residence to interpret and apply the advice received from a lawyer in the country in which the Claim is brought or Official Proceeding is instituted. [«]

**11) Company Defence Costs** mean the costs, fees and expenses incurred by the Company for the in-court or out-of-court representation, legal assistance and defence of the Company against a covered Securities Claim or Joint and Several Liability Claim, including for the purpose of applying the Company's remedies against judgments, orders, decrees or decisions:

- a) for the remuneration of any lawyer, legal adviser or other persons who, under applicable law, may act as legal representatives, as well as any other employees of the law firm who, under the supervision of the aforementioned persons, perform the duties assigned to them in connection with the representation, legal assistance or defence of the Company;
- b) for the remuneration of an appropriate expert or appraiser for the preparation of a valuation, opinion, report, evaluation, diagnosis or rebuttal of evidence; or
- c) for costs of necessary translations, court costs and fees, expert witness fees, mediation or arbitration fees and costs of witnesses.

The Insurer shall pay Defence Costs in respect of a Joint and Several Liability Claim only if, and as long as, the Company and the Insured Person are represented by the same litigation attorneys, the Company and the Insured Person have a common main line of defence against such claim and there is no conflict of interest between them. [«]

**12) Reputation Recovery Costs** mean the costs, fees and expenses incurred by the Insured Person:

- a) for services provided to the Insured Person by public relations specialists directly to repair the Insured Person's image in connection with:
  - i. a covered Claim or Official Proceeding;
  - ii. Circumstances notified to the Insurer in the manner and according to the rules set forth in § 16, which have been made public in the form of negative statements in the mass media concerning alleged or imputed irregularities in connection with the performance of functions described in the definition of an Insured Person;

- b) for dissemination in the paper or electronic press of information on a final judicial decision or other final settlement of a Competent Body in favour of the Insured Person related to a covered Claim or Official Proceeding; a positive decision or settlement shall be understood as a judicial decision or settlement of a Competent Body declaring that the Insured Person is not liable for actual or alleged breach of duties, errors or other irregularities raised in a covered Claim or Official Proceeding. [«]

**13) Costs, Fees and Expenses** mean the following costs, fees and expenses covered by the Insurer in connection with the occurrence of the specified Insurance Events, up to the sub-limits shown in item 9 of the Schedule, provided they are necessary and reasonable and if the obligation to incur them by the Insured is made with the prior written or email consent of the Insurer:

- a) Bail Bond and Civil Bond Costs,
- b) Mitigation Costs,
- c) Company Mitigation Costs,
- d) Vehicle Rental Costs,
- e) Dawn Raid Costs,
- f) Company Dawn Raid Costs,
- g) Defence Costs,
- h) Company Defence Costs,
- i) Reputation Recovery Costs,
- j) Investigation Costs,
- k) Attendance Costs,
- l) Psychological Support Costs,
- m) Company Crisis Event Costs,
- n) Asset Proceeding Costs,
- o) Liberty Proceeding Costs.

Costs, Fees and Expenses do not include the Insured's own costs, including the cost of materials as well as the wages of the Insured Persons and other Company personnel. [«]

**14) Investigation Costs** mean the costs, fees and expenses incurred by the Insured Person for the remuneration of a solicitor, legal or tax advisor directly in connection with the preparation for and participation in Investigation. [«]

**15) Appearance Costs** mean the benefit paid to the Insured Person for each day of the Insured Person's compulsory attendance at a trial, meeting, hearing or other activity of the Competent Body carried out in the course of covered Investigation, Official Proceeding or Claim.

If the Insured Person proves to have incurred justified Attendance Costs in an amount higher than the amount of the benefit indicated in item 9gi of the Schedule, the Insurer shall alternatively cover the Attendance Costs according to the invoices or receipts presented, less the amounts granted to the Insured Person by the Competent Body on the basis of the relevant legal regulations. [«]

**16) Psychological Support Costs** mean the costs, fees and expenses incurred by the Insured Person for the services of a psychologist, psychiatrist or psychotherapist, but only in connection with:

- a) A Dawn Raid, Claim or Official Proceeding, or
- b) Circumstances notified to the Insurer in the manner and according to the rules set forth in § 16, which have been made public in the form of negative statements in the mass media concerning alleged or imputed irregularities in connection with the performance of functions described in the definition of an Insured Person.

Psychological Support Costs may only be paid in excess of any benefits available to the Insured Person under any type of insurance or contract for the provision of medical services. [«]

**17) Company Crisis Event Costs** mean the costs, fees and expenses incurred by the Company to fund the services of an external crisis management agency provided during the period indicated in item 9x of the Schedule, calculated from the date of occurrence of a covered Company Crisis Event, to avoid or minimise its adverse effects. [«]

**18) Asset Proceeding Costs** mean:

- a) costs related to the education of minor descendants or minor dependants of the Insured Person,
- b) the amount of alimony awarded,
- c) the monthly costs of the mortgage or rent of the dwelling in which the Insured Person resides,
- d) utility costs including, but not limited to, water, heating, gas, electricity, telephone or internet, and
- e) life, accident or health insurance premiums;

which the Insured Person is unable to cover as a result of confiscation, seizure of property or other rights of ownership or seizure of the Insured Person's assets as a result of a decision by a Competent Body in Liberty or Asset Proceeding.

The Insurer shall pay the costs in each of the cases indicated in points a) to e), provided that:

- i. contracts for the aforementioned services or insurance were concluded by the Insured Person or a final court decision imposing the alimony obligation was issued before the issuance of the decision of the Competent Body, and liabilities on the basis of the aforementioned titles were due from the Insured Person before the issuance of the decision of the Competent Body,
- ii. the above costs and fees shall be paid only above any benefit or relief granted to the Insured Person by the Competent Body,
- iii. the above costs and fees became payable 30 days after the Competent Body's decision and until it is revoked or amended, but for no longer than 12 months.

Any sums indicated in points a) to e) shall be paid by the Insurer directly to the relevant service provider, supplier or alimony recipient or their legal representative. [«]

**19) Liberty Proceeding Costs** mean costs, fees and expenses incurred in relation to:

- a) accommodation and subsistence of the Insured Person in connection with the Insured Person's inability to return to the country of the Insured Person's residence due to a ban on leaving another country;
- b) making one round trip and accommodation of the Insured Person's spouse, domestic partner or children in connection with extradition proceedings instituted against the Insured Person;
- c) purchasing medicines, making telephone calls, sending letters and food parcels as well as providing transportation to visit the Insured Person's spouse, domestic partner or children in connection with deprivation or restriction of freedom or temporary arrest of the Insured Person – in the Insured Person's country of residence;
- d) attending a training course with a business coach or consulting a vocational counsellor in view of the need to develop a professional strategy, to support the Insured Person in the process of reorganisation and finding employment in the event of dismissal or loss of a position held by the Insured Person as a result of a final and binding decision or ruling prohibiting the Insured Person from holding a specific position, practising a specific profession or carrying out a specific business activity;

as a consequence of the application of sanctions by the Competent Body to the Insured Person as referred to in the definition of Liberty or Asset Proceeding. [«]

**20) Excess Limit** means the amount by which the Insurer's liability is increased, to which Insured Persons are entitled above the Sum Insured, payable in the form of benefits in accordance with the procedure and principles described in § 12. [«]

**21) Employee Practices Liability** means an actual or alleged breach of regulations relating to an Employee's existing or potential employment by the Company.

For the purposes of this definition, an intern, volunteer, trainee or other persons engaged by the Company in a similar capacity shall also be deemed to be an Employee. [«]

**22) Wrongful Act** means:

- a) in relation to any Insured Person – actual or alleged negligence (including gross negligence), mistake, act or omission committed by an Insured Person in connection with the performance of functions as defined in the definition of Insured Person, including a Employee Practices Liability;
- b) in relation to the Company – an actual or alleged wrongful act or omission (including gross negligence) by the Company resulting in a breach of the regulations governing the trading of Securities. [«]

**23) Dawn Raid** means the entirety of the inspection activities carried out at the Company's registered office, place of business or private premises of the Insured Persons by representatives of the Competent Body which, within the scope of its competence, has initiated an unannounced inspection of the Company's business for the first time during the Policy Period. [«]

**24) General Terms and Conditions** mean these general terms and conditions of directors and officers liability insurance. [«]

**25) Circumstance** means a description of a factual or legal state of affairs concerning the Insured which is reasonably likely to give rise to a future Claim, Securities Claim or Official Proceeding, including at least the following data and information:

- a) the time limits for the occurrence of events or circumstances that may give rise to a Claim, a Securities Claim or the commencement of an Official Proceedings;
- b) data of the Insured to whom the reported Circumstances relate;
- c) a description of the imputed, alleged or actual Wrongful Acts;
- d) the details of potential claimants or Competent Bodies that may initiate potential Official Proceeding;
- e) the amount of such potential Claim or Securities Claim or other potential sanctions threatened against the Insured in connection with the potential Official Proceeding;
- f) the reasons why the Insured expects a Claim, a Securities Claim or the commencement of Official Proceedings. [«]

- 26) Extended Reporting Period** means the period specified in the Insurance Contract immediately following the expiry of the Policy Period during which may first occur:
- a)** Insurance Event in the form of:
    - i.** initiation of the Official Proceeding,
    - ii.** raising a Claim,
    - iii.** raising a Securities Claim,
    - iv.** raising a Joint and Several Liability Claim, or
    - v.** notifying the Insurer of the Circumstances, concerning an actual or alleged Wrongful Act that occurred prior to the end of the Policy Period, or
  - b)** Insurance Event in the form of:
    - i.** the occurrence of a Dawn Raid, or
    - ii.** initiation of an Investigation, concerning matters that were initiated by the Competent Body before the end of the Policy Period. [«]
- 27) Policy Period** means the period indicated in item 4 of the Schedule. [«]
- 28) Delegated Person** means an Insured Person who at the express written request or with the written consent of the Company was, is, or during the Policy Period becomes a member of the statutory bodies or a proxy of an Outside Entity. [«]
- 29) Chief Accounting Officer** means any person who, under the applicable regulations, in his or her capacity as a manager, is responsible for the performance of the Company's accounting duties. [«]
- 30) Insured Person** means any natural person who was, is or during the Policy Period will become:
- a)** a member of the management board, supervisory board, board of directors, review committee or audit committee, liquidator appointed by the Company's bodies, holder of a commercial proxy or a natural person holding another position that, according to applicable regulations of a foreign state, is defined as equivalent to the aforementioned positions or functions;
  - b)** an Employee in a managerial capacity;
  - c)** an Employee:
    - i.** who has been charged with Employee Practices Liability in a Claim or Official Proceeding, or
    - ii.** named as a co-defendant, co-accused or party in a Claim or Official Proceeding alleging that he or she was an accomplice or accessory to the commission of the Wrongful Act along with any of the persons named in point a);
  - d)** Chief Accounting Officer;
- but only while and as long as such Insured Person is acting or has acted for and on behalf of the Company in the capacity set out in points a) to d). [«]
- 31) Securities** mean any securities issued by the Company representing a debt or interest in the Company. [«]
- 32) Disciplinary Fines** means a monetary sanction, as defined in the act, imposed on an Insured Person by a Competent Body following a Wrongful Act resulting in an inadvertent failure to comply with the obligations incumbent on an Insured Person duly summoned to perform a specific act in an Investigation, Official Proceeding or in connection with a Claim or Dawn Raid, insofar as such Disciplinary Fine:
- a)** is not a result of a breach of tax law or law regulating other types of statutory levies, and
  - b)** is subject to insurance under the applicable law in the jurisdiction. [«]
- 33) Affiliate** means, other than a Subsidiary, an entity listed in item 16 of the Schedule; [«]
- 34) Subsidiary** means an entity established in the European Union:
- a)** in which the Policyholder directly or indirectly controls a majority of the votes at a shareholders' meeting or at a general meeting or in the management board, including on the basis of agreements with other persons;
  - b)** in which the Policyholder is entitled to appoint or dismiss a majority of the members of the management or supervisory board, including on the basis of agreements with other persons;
  - c)** in which more than half of the members of the management board are members of the Policyholder's management board, or
  - d)** over whose business the Policyholder exercises decisive influence, in particular by concluding an agreement between the Policyholder and that entity providing for the management of that entity or the transfer of profits by such entity.
- An entity shall cease to be a Subsidiary if none of the circumstances set out in points a) to d) apply. [«]
- 35) Outside Entity** means any association or any company, foundation, non-profit or public benefit organisation:
- a)** which is established within the European Union;

- b) whose securities or securities equivalents in the form of ADRs are not listed on any stock exchange or market (including the OTC market) in the United States of America;
  - c) which is not a Financial Institution;
  - d) which is not a Subsidiary; and
  - e) which is not an Affiliate. [«]
- 36) Schedule** means a document issued by the Insurer confirming the fact that the Insurance Contract has been concluded. [«]
- 37) Liberty or Asset Proceeding** means any proceeding instituted against an Insured Person by a Competent Body in connection with its Wrongful Act with a view to:
- a) imposing a penalty of imprisonment on the Insured Person;
  - b) the application to the Insured Person of penal measures, penal preventive measures or penal precautionary measures;
  - c) deportation of the Insured Person occurring as a result of cancellation of the Insured Person's proper, current and valid immigration status for any reason other than conviction of a criminal offence;
  - d) surrender of the Insured Person by the state in whose territory the Insured Person is located to a foreign state for the purpose of bringing the Insured Person before a court or for the purpose of serving a prison sentence;
  - e) confiscation, seizure of ownership and control, suspension or freezing of ownership of real property or other property of the Insured Person or placing of an encumbrance on real property or other property of the Insured Person;
  - f) applying any other lawful sanction within the competence of the Competent Body to the Insured Person resulting in restriction or deprivation of freedom or property rights of the Insured Person. [«]
- 38) Official Proceeding** means any proceeding instituted by a Competent Body against an Insured Person, including Liberty or Assets Proceeding, in which the Insured Person is alleged to have committed a Wrongful Act. [«]
- 39) Investigation** means any proceeding relating to the affairs of the Company or an Insured Person conducted by the Competent Body where the Insured Person:
- a) is summoned to give an explanation in writing, to appear for testimony in person or to produce documents, or
  - b) is designated in writing by the Competent Body as the subject of the action or proceeding,
- provided that these activities, meetings and hearings are not part of a Dawn Raid or Official Proceedings.
- For the purpose of the Insurance Contract, an Investigation shall be deemed to have been initiated when the Insured Person first receives the above summons or notice, and shall be terminated when the Insured Person becomes aware of having become a party to any proceedings instituted by a Competent Body alleging that an Wrongful Act has been committed by the Insured Person, i.e. when Official Proceeding is instituted against that person.
- An Investigation does not cover matters of a general nature, concerning the entire sector in which the Company operates, as well as routine or planned supervisory activities of a Competent Body against the Company and requests of the Competent Body to provide information, explanations or documents by the Company in the framework of an audit of the Company's operations. [«]
- 40) Employee** means an individual employed by the Company under an employment contract or a civil law contract, irrespective of working hours, in the conduct of the Company's core business activities, to whom the Company pays a salary and has the right to direct the performance of his or her duties, give binding instructions and exercise supervision over him or her. [«]
- 41) Claim** means:
- a) any written request against an Insured Person, alleging a Wrongful Act, regarding:
    - i. remedying damage, including by way of a declaration of set-off, or
    - ii. monetary compensation for adverse psychological experiences in the case of a claim based on an allegation of Employee Practices Liability;
  - b) any written notice of civil, mediation or arbitration proceedings instituted against an Insured Person and alleging a Wrongful Act, including counterclaims. [«]
- 42) U.S. or Canadian Claim** means an Investigation, Official Proceeding, Claim or Securities Claim raised, instituted or brought under the laws of the United States of America or Canada or in a territory of the United States of America or Canada. [«]
- 43) Joint and Several Liability Claim** means a proceeding under the provisions based on joint and several liability of the Company with an Insured Person in respect of a Claim raised against the Insured Person following a Wrongful Act committed by the Insured Person, but only if and as long as all of the following conditions are met:
- a) the Claim is raised against the Company and the Insured Person on the basis of joint and several liability;
  - b) the Claim raised against the Insured Person is covered under § 4;
  - c) the Claim under Polish law against the Insured Person has been brought within the territory of the Republic of Poland. [«]



**44) Securities Claim** means a claim against the Company alleging a Wrongful Act of the Company raised:

- a) by any person, the object or basis of which is the sale or purchase of, or the making or soliciting of offers to buy or sell Securities; or
  - b) by the holder of the Securities in respect of the rights of such holder under the Securities,
- issued by the Company prior to the commencement of the Policy Period or as part of secondary public offering of Securities conducted during the Policy Period by the Company that is a public company. Such secondary public offering of Securities shall not require notification to the Insurer, shall not affect continuity of cover and shall be automatically covered under the Insurance Contract.

Securities Claim shall also mean any administrative proceeding brought by a Competent Body against the Company alleging a Company Wrongful Act, provided that such proceeding is concurrently brought against an Insured Person. [«]

**45) Company** means the Policyholder. For the purpose of extensions of cover under § 6, the definition of Company shall be amended to include the Policyholder and the Subsidiaries or Affiliates as appropriate. [«]

**46) Sum Insured** means the amount shown in item 7 of the Schedule. [«]

**47) Loss** means:

- a) the amount of indemnity or compensation which an Insured Person shall be obliged to pay in connection with a Claim brought against the Insured Person on the basis of a final court judgment or arbitration award, settlement (judicial or extrajudicial) or admitting liability, subject to the provisions of § 21;
- b) the amount of the Company's statutory levies for which an Insured Person will be liable on the basis of a decision of a Competent Body issued on the basis of Article 107 in conjunction with Article 116 and 116a of the Tax Ordinance Act of 29 August 1997 or any other domestic or foreign regulation governing liability for statutory levies of the Company in connection with Official Proceedings instituted against the Insured Person;
- c) pecuniary loss arising to an Insured Person's assets as a consequence of payment of an Administrative Fine;
- d) pecuniary loss arising to the Insured Person's assets as a consequence of payment of a Disciplinary Fine;
- e) the amount of indemnity which the Company is obliged to pay in connection with a Securities Claim raised against it, pursuant to a final court judgment or arbitration award, settlement (judicial or extrajudicial) or admitting liability, subject to the provisions of § 21;
- f) the amount of indemnity that the Company is obliged to pay in connection with a Joint and Several Liability Claim raised against it, based on a final court judgment or arbitration award, settlement (judicial or extrajudicial) or admitting liability, subject to the provisions of § 21;
- g) Costs, Fees and Expenses;
- h) costs and expenses of a Competent Body or the party at whose request a covered Official Proceeding has been instituted or the party raising a covered Claim, Securities Claim or Joint and Several Liability Claim, including fees for witnesses and experts, that have been validly awarded against the Insured.

For the avoidance of doubt, the Insurer confirms that the provisions of § 9(1)(3) and § 9(1)(4) do not exclude the Insurer's liability for the insurance cover provided under the scope of insurance set out in § 4(1) in respect of Claims brought by the Company against Insured Persons if such Claims are based on a financial loss incurred by the Company in connection with payment by the Company of a fine, penalty or interest on account of statutory levies, where such payment results from a Wrongful Act of an Insured Person. [«]

**48) Transaction** means:

- a) the Policyholder merging with any other legal entity or unincorporated entity, or disposing (directly or indirectly) of all or most of the Policyholder's assets to any natural person, legal entity or unincorporated entity;
- b) obtained by any natural person, legal person, unincorporated entity or group of persons or entities acting in concert:
  - i. the power to exercise directly or indirectly a majority of the voting rights at a shareholders' meeting or at a general meeting or in the management board of the Policyholder;
  - ii. the power to appoint or dismiss a majority of the members of the management or supervisory board of the Policyholder, or
  - iii. decisive influence on the business of the Policyholder, in particular by concluding an agreement between that entity or those entities and the Policyholder providing for the management of the Policyholder or the transfer of profits by the Policyholder.

A merger of a Subsidiary with the Policyholder is not a Transaction. [«]

**49) Policyholder** means the entity indicated in item 1 of the Schedule, concluding the Insurance Contract, obliged to pay the premium. [«]

**50) Insured** means the Company and any Insured Person. [«]

- 51) Insurer** means Colonnade Insurance S.A. registered in Luxembourg under number: B 61605, with head office: 1, rue Jean Piret, L-2350 Luxembourg, acting in Poland through Colonnade Insurance Société Anonyme Branch in Poland, registered in the District Court for the City of Warsaw, 13th National Court Register Division under number: 0000678377, NIP 1070038451, with registered office: ul. Prosta 67, 00-838 Warszawa. [«]
- 52) Retention** means the amount shown in item 10 of the Schedule which reduces all benefits payable by the Insurer under the cover to which the Retention applies. [«]
- 53) Insurance Contract** means the insurance contract concluded between the Policyholder and the Insurer, consisting of the General Terms and Conditions and the Schedule together with any annexes or appendices. [«]
- 54) Bodily Injury or Property Damage** means bodily injury, disorder or death, damage, destruction or loss of use of movable or immovable property of any person. [«]
- 55) Competent Body** means a public administration body acting within its competence. [«]
- 56) Insurance Event** means:
- a) notifying the Insurer of Circumstances;
  - b) initiation of a Dawn Raid;
  - c) initiation of an Investigation;
  - d) initiation of an Official Proceeding;
  - e) raising a Claim;
  - f) raising a Securities Claim;
  - g) raising a Joint and Several Liability Claim;
  - h) the occurrence of a Company Crisis Event. [«]
- 57) Company Crisis Event** means any of the following unforeseen events which occur during the Policy Period and which, in the reasonable opinion of the management board of the Policyholder, as a result of the failure to properly manage such event, may cause a sudden drop in the Company's revenues of more than 25% of the consolidated annual revenues of the Company as at the last day of the financial year ended prior to the commencement of the Policy Period:
- a) sudden and unexpected death, accident or serious illness preventing an Insured Person from continuing to perform the Insured Person's duties;
  - b) an accident at the Company's premises or other place of business causing death or life-threatening injuries or causing permanent damage to the health of the Company's employees or customers;
  - c) destruction (for reasons other than a natural disaster) of the Company's premises or movable property to such an extent as to prevent the uninterrupted continuation of the Company's operations and the continued provision of services;
  - d) any threat, attempt or actual unauthorised intrusion into the Company's computer system for the purpose of gaining access to classified information or any cyber-attack leading to the denial of access (denial-of-service) to the Company's computer system for its customers;
  - e) any breach of data confidentiality by the counterparty in relation to the information provided by the Company;
  - f) any media reports of proceedings instituted by the Competent Body against the Company concerning actual or alleged violations of anti-money laundering or terrorist financing regulations, or the publication of information on its violation of the provisions of the AML and Terrorist Financing Act of 1 March 2018 in the public information bulletin on the entity page of the office serving the Minister in charge of public finance;
  - g) any media reports of official proceedings instituted by the Competent Body against the Company concerning actual or alleged violations of trade sanctions or embargoes;
  - h) deprivation of intellectual property rights previously lawfully acquired by the Company in respect of a patent, trademark or copyright making it impossible to continue uninterruptedly the Company's operations and to continue to provide services;
  - i) initiation of a Dawn Raid.

A Company Crisis Event does not include events relating to the sector in which the Company operates, but only events relating specifically to the Company. [«]



## Exclusions

### § 9 Exclusions of the Insurer's liability

1. The Insurer shall not be obliged to pay any indemnity or benefit under any cover or extension of cover in respect of a Loss:
  - 1) related to or resulting from:

- a) any event or circumstance which, prior to the Continuity Date, the Insured knew or should reasonably have known could give rise to an Insurance Event, or
  - b) Insurance Events:
    - i. occurring before the Continuity Date, or
    - ii. which have as their basis any factual or legal situation which is the subject of any claim raised or proceedings commenced prior to the Continuity Date,
    - iii. based on or arising out of or in connection with a Wrongful Act committed after the date of the Transaction;
  - c) Insurance Events occurring during the term of previous directors and officers liability insurance contracts concluded by the Policyholder with the Insurer or any other domestic or foreign insurance company, or Circumstances reported under such previous insurance contracts;
- 2) connected with or arising out of a Wrongful Act constituting wilful misconduct or resulting in the unjust enrichment of the Insured, but only if these circumstances are confirmed by a final court judgement or other final decision of a Competent Body, or by an arbitration award or a written declaration by the Insured;
- for the purpose of this exclusion, it is assumed that the fact that a Wrongful Act is committed by one Insured shall have no direct legal effect on the other Insureds;
- 3) relating to or resulting from the payment of any penalty or fine other than an Administrative Fine or Disciplinary Fine;
- 4) connected with or arising out of the payment of tax liabilities or any other statutory levies except, however, statutory levies of the Company for which the Insured Person shall be liable on the basis of a decision of a Competent Body issued on the basis of Article 107 in conjunction with Articles 116 and 116a of the Tax Ordinance Act of 29 August 1997 or any other domestic or foreign regulation governing liability for statutory levies of the Company in the Official Proceeding instituted against the Insured Person;
- 5) relating to or resulting from Bodily Injury or Property Damage, except however:
- a) monetary compensation for adverse psychological experiences in the case of a Claim based on an allegation of Employee Practices Liability;
  - b) Mitigation Costs, Investigation Costs and Defence Costs.
- 6) related to or arising out of a Securities Claim:
- a) raised by an Employee or Insured Person, the object or basis of which is the non-receipt of benefits arising from or in connection with the Securities or the loss of the right to receive or obtain them;
  - b) the sole basis of which is the Company's failure to meet its obligations under the issue of debt securities, consisting in the non-redemption, failure to redeem on time, failure or delay in the payment of interest or failure to exercise other rights incorporated in the debt securities;
  - c) alleging a Wrongful Act connected with the initial public offering of Securities within the meaning of the Act on Public Offering, Conditions Governing the Introduction of Financial Instruments to Organised Trading, and Public Companies of 29 July 2005, or other domestic or foreign regulations governing the initial public offering of Securities conducted after the beginning of the Policy Period;
- 7) related to or arising out of the U.S. or Canadian Claim that:
- a) in any way is connected with Securities or any derivative instruments, including those issued or traded in any manner without the knowledge or consent of the Company;
  - b) raised by any Insured or an Outside Entity in which the Insured Person is or has been a member of the statutory bodies or a proxy or on their behalf, provided that this exclusion shall not apply to:
    - i. a Claim raised against the Insured Person:
      - by the shareholders of the Company or an Outside Entity, including in the context of a class action without the assistance or active participation in such proceedings of any member of the statutory bodies or proxy of the Company or an Outside Entity,
      - by another Insured Person based on an allegation of Employee Practices Liability,
      - by another Insured Person for contribution or indemnity, insofar as the Claim in question arises directly from another Claim covered under other provisions of the Insurance Contract,
      - by any former member of the management or supervisory board or employee of the Company or an Outside Entity, or
      - by a receiver, trustee, custodian, liquidator of the Company or an Outside Entity on behalf of the Company or an Outside Entity,
    - ii. Defence Costs of the Insured Person;

- 8) related to or arising from the need to pay non-compensatory damages, exemplary and punitive damages, damages awarded as a multiple of the damage caused and other benefits not insurable under the applicable laws of the country or jurisdiction of the occurrence of the Insurance Event.
2. The Insurer shall not provide cover or be obliged to pay any indemnity or benefit under the Insurance Contract to the extent that the provision of such cover, payment of such indemnity or benefit would expose the Insurer or its parent to a sanction, prohibition or restriction under United Nations resolutions or laws of the European Union, Luxembourg, Poland, the United Kingdom, Canada or the United States of America relating to trade and economic sanctions.



## General provisions

### § 10 Conclusion of the Insurance Contract

1. The Insurance Contract shall be concluded after the acceptance of the Insurer's offer by the Policyholder. The Insurer is entitled to request, and the Policyholder is obliged to provide, documents and information that allow the Insurer to carry out a full risk assessment.
2. The conclusion of the Insurance Contract shall be confirmed by the Insurer with the issuance of a Schedule.

### § 11 Premium

1. The amount of the premium for the duration of the insurance cover shall be determined by the Insurer after an individual risk assessment.
2. The Policyholder shall pay the premium in the amount and by the date indicated in item 11 of the Schedule or on the bill forming an integral part of the Schedule.
3. Where the Insurer is liable before the premium or first instalment thereof has been paid, and the premium or first instalment thereof has not been paid on time, the Insurer may terminate the Insurance Contract with immediate effect and demand payment of the premium for the period for which it was liable. If the Insurance Contract is not terminated, it shall expire at the end of the period for which the unpaid premium was due.
4. In the event of payment of premium in instalments, failure to pay another instalment of premium on time shall cause the Insurer's liability to cease, if the Insurer, after expiry of the time limit, has summoned the Policyholder to pay the amount due, with a threat that failure to pay the due instalment of premium within 7 days of receipt of the summons shall cause the liability to cease.
5. Payment of an amount less than that indicated in the Schedule or on the bill shall not be deemed to be payment of the premium.
6. The premium shall not be subject to indexation.

### § 12 Excess Limits

1. The Insurer shall only pay benefits under the Excess Limits if they are exhausted:
  - 1) Sum Insured;
  - 2) the sums and limits of all existing and applicable directors and officers liability insurance contracts concluded in favour of an Insured Person with other insurance companies (in particular those constituting an excess cover over the Sum Insured of the Insurance Contract);
  - 3) all other sources for obtaining indemnity or receiving compensation for the Loss suffered that are available to the Insured.
2. Insurer within the Excess Limit:
  - 1) indicated in item 8a of the Schedule – shall pay for Loss incurred by a member of the supervisory board, a member of the review committee or audit committee of the Company, which the Company is not obliged to cover;
  - 2) indicated in item 8b of the Schedule – shall pay Dawn Raid Costs, Investigation Costs, Mitigation Costs and Defence Costs incurred by the Insured Person which the Company is not obliged to pay;
  - 3) indicated in item 8c of the Schedule – shall pay for the Loss incurred by the Insured Person which the Company is not obliged to cover, but only in the event that the Sum Insured is exhausted solely as a result of a raised Securities Claim.

### § 13 Sum Insured

1. The Sum Insured and Excess Limits shall constitute the upper limit of the Insurer's liability for Losses resulting from covered Insurance Events.
2. The Sum Insured and the Excess Limits shall be reduced by the amounts paid on the basis of the Insurance Contract for indemnities, costs and payment of any other benefits under the Insurance Contract to which the Sum Insured or the Excess Limits apply.

3. The Insured's accrued Extended Reporting Period shall not increase or supplement the Sum Insured.
4. Each sublimit of the Sum Insured shown in the Schedule shall be the maximum limit of the Insurer's liability for the cover to which it relates. Sub-limits are part of the Sum Insured and not an addition to it. Payment of indemnities, costs and other benefits within the sublimit shall at the same time reduce the remaining Sum Insured.
5. The Sum Insured shall be automatically increased by any amounts recovered by the Insurer under recourse proceedings after payment of indemnities, costs and other benefits (after deduction of costs incurred by the Insurer in recovering them).
6. The Insurer's liability shall cease if the Sum Insured and Excess Limits are exhausted.

#### **§ 14 Retention**

1. The Retention applies only in respect of the insurance cover for the Company.
2. The Insurer shall only cover a Loss resulting from a given Insurance Event if the sum of benefits to be paid in respect of that Loss exceeds the amount of the relevant Retention.
3. The Retention shall apply only once to a given Insurance Event.
4. Where the Company is obliged to pay for or on behalf of an Insured Person amounts arising out of an Insurance Event that has taken place but fails to do so, then the Insurer shall pay the Insured Person's Loss within the scope of § 4 not reduced by the Retention applicable to the scope of § 5 (1) and such Retention shall be reimbursed to the Insurer by the Company.

#### **§ 15 Notification obligations**

1. The Policyholder is obliged to inform the Insurer of all circumstances known to the Policyholder and about which the Insurer asked in writing before concluding the Insurance Contract. If the Policyholder concludes the Insurance Contract through a representative, this obligation shall also apply to the representative and shall additionally include circumstances known to the representative.
2. In the event that the Insurance Contract is concluded for the account of a third party, the duties specified in point 1 shall rest with both the Policyholder and the Insured, unless the Insured was unaware that the Insurance Contract had been concluded for his or her account.
3. The Insurer shall not be liable for the consequences of circumstances which, in breach of points 1-2, were not brought to its attention. If a breach has been committed as a result of wilful misconduct, the Insurance Event shall, in case of doubt, be assumed to be a consequence of the circumstances referred to in the preceding sentence. The same shall apply if the Policyholder or the Insured has provided the Insurer with false information and documents that were not requested by the Insurer or that were placed in the public domain by the Policyholder in the performance of its statutory duties.
4. Subject to point 5, the Insured shall be obliged to notify the Insurer in writing of the Insurance Event occurring without delay, but no later than within 14 days of becoming aware of it.
5. The obligation referred to in point 4 shall not apply to the notification of the Circumstances to the Insurer.

#### **§ 16 Notification of Circumstances**

If during the Policy Period or Extended Reporting Period (if applicable) the Insured becomes aware of Circumstances and makes an effective report of such Circumstances to the Insurer, the Insurer shall treat any Claim, Securities Claim or Official Proceeding which is subsequently raised or instituted against the Insured on the basis of the specified Circumstances and is reported to the Insurer in writing – as if it had been reported to the Insurer when the Insured first reported these Circumstances to the Insurer. Successful reporting of a Circumstance shall mean that the Insured sends to the Insurer during the Policy Period or Extended Reporting Period (if applicable) all information indicated in the definition of Circumstance.

#### **§ 17 Serial Insurance Events**

1. Insurance Events arising from:
  - 1) Wrongful Acts that are the same or related to each other or of which one is a continuation of the other, or
  - 2) Wrongful Acts based on the same facts or circumstances,shall constitute a single Insurance Event under the Insurance Contract, regardless of whether they are initiated by the same or other persons or bodies, whether they involve the same or other Insured Persons, and whether they are based on the same or other legal or factual grounds.
2. If the Insured reports an Insurance Event to the Insurer in the manner required by the General Terms and Conditions, then the Insurer shall treat any Insurance Event reported at any time thereafter:
  - 1) the subject or basis of which is any circumstance that was the subject of a previously reported Insurance Event, or
  - 2) where a Wrongful Act has been alleged which is the same or related to the Wrongful Act alleged in a previously reported Insurance Event,with the same effect as if the subsequently reported Insurance Event had been reported to the Insurer at the time of the earlier reported Insurance Event.



## § 18 Conducting the defence

1. The Insurer shall not assume any obligation to defend on behalf of the Insured in connection with an Insurance Event. The duty to conduct such defence shall in each case rest with the Insured, who shall take all reasonable steps to investigate the validity of the allegations against the Insured.
2. The Insurer shall have the right, at its option, to monitor the course of any proceedings related to an Insurance Event either directly or through external counsel acting on its behalf. The Insurer reserves the right to participate in any stage of the proceedings related to the Insurance Event, including settlement negotiations.
3. The Insurer shall have the right to give the Insureds binding and practicable instructions for the conduct of the defence in connection with an Insurance Event, where reasonably practicable.
4. Apart from the Insured Person affected by an Insurance Event, the Insurer shall not be obliged to communicate with or provide any information to any other Insured Person or the Company in connection with such event.
5. When reporting an Insurance Event, the Insured shall be obliged to authorise the Insured's attorney or legal advisor to provide the Insurer with information and documents relating to the Loss or Insurance Event and the services provided in connection therewith for the purpose of the Insurer's assessment of the Loss or Insurance Event and the extent of such services.
6. For the avoidance of doubt, it is understood that costs arising from the performance of the obligation described in point 5 are not reimbursable under Costs, Fees and Expenses.

## § 19 Conditional payment of Costs, Fees and Expenses

1. The Insurer shall conditionally pay benefits to the Insured for Costs, Fees and Expenses incurred in connection with an Insurance Event, as and when such Costs, Fees and Expenses are incurred by the Insured, before settling its liability in the case.
2. The amount of conditionally paid benefits shall in no event exceed the limit of the Sum Insured or any sub-limit applicable to the Loss.
3. The Insurer will not pay any benefit for Costs, Fees and Expenses to the extent that the Insurer disputes the existence of cover.
4. If, after conditional payment of benefits to cover Costs, Fees and Expenses, it is determined that the Insurance Event or Loss in respect of which the above benefits were paid is not covered under the Insurance Contract, the Insureds on whose behalf or for whose benefit they were paid shall be obliged to reimburse the Insurer for all sums paid.

## § 20 Emergency payment of Costs, Fees and Expenses by the Insured

1. Where it is not possible for the Insured to apply for, or obtain within a reasonable time, written or email approval from the Insurer to incur:
  - 1) Bail Bond and Civil Bond Costs,
  - 2) Dawn Raid Costs,
  - 3) Company Dawn Raid Costs,
  - 4) Defence Costs,
  - 5) Investigation Costs,
  - 6) Costs of Attendance,The Insurer will give retrospective approval to incur these costs, up to the amount shown in item 9z of the Schedule.
2. The contingency procedure described in point 1 shall apply only to those Costs, Fees and Expenses which would have been covered under the Insurance Contract had the Insured reported them to the Insurer before they were incurred.
3. If the Insurer refuses to cover the costs indicated in point 1, the costs in question shall not be covered under the contingency regime described in point 1.

## § 21 Settlement, judgment, costs

1. Unless unlawful, no Insured shall, without the prior written or email consent of the Insurer, accept or acknowledge liability, settle amicably any dispute in connection with an Insurance Event, acknowledge an adverse judgment, order or decision of a Competent Body in the case of the possibility to appeal thereof, nor shall any Insured incur any Costs, Fees or Expenses covered under the Insurance Contract or undertake in any form whatsoever to bear such sums, failing which the indemnity shall be refused or not covered by the Insurer.
2. The Insurer shall not unreasonably withhold the above consent so long as it has had the opportunity to participate fully in the Defence and in any negotiations or other discussions concerning settlement, judgment or decision in relation to the Insurance Event and so long as a request for consent to such Costs, Fees and Expenses has been submitted to it.
3. If the Insured refuses to agree to a settlement that would be beneficial and to which both the entity raising the Claim, Securities Claim, Joint and Several Liability Claim or the Competent Body that instituted the Official Proceeding agrees, as well

as the Insurer, the Insurer's liability for Loss related to such Insurance Event shall be limited to the amount that would have been paid had a settlement been reached, plus the Costs, Fees and Expenses incurred up to the date the Insured refused such settlement.

4. The Insurer shall be entitled to verify Costs, Fees and Expenses, in particular as to their reasonableness and amount, taking into account market rates and the nature of the case.

## **§ 22 Allocation**

1. If a given Insurance Event relates to matters, events, behaviour or persons both covered and not covered under the Insurance Contract, then the Insurer's liability shall be limited to the matters, events, behaviour or persons covered.
2. The Insurer's liability in respect of a Joint and Several Liability Claim shall be limited to the extent of the Insured Persons' liability and their contribution to the Loss caused by their Wrongful Act – excluding amounts corresponding to the Loss in part resulting from the Company's act or omission.

## **§ 23 Order of payment of benefits**

1. In the event of several Insurance Events reported to the Insurer under the Insurance Contract, the payment of benefits shall be made in the order of the maturity of the individual benefits, until the Sum Insured or Excess Limits, if applicable, are exhausted.
2. In the event that the Sum Insured or the applicable Excess Limits are found to be insufficient to satisfy all benefits for the reported Insurance Events, the Insurer shall first pay the benefits due to the Insured Person and then the benefits due to the Company.

## **§ 24 Transfer of rights and cooperation**

1. On the day of payment of the benefit by the Insurer, the Insured's claim against the third party responsible for the loss shall be transferred by law to the Insurer up to the amount of the benefit paid. If the Insurer has covered only a part of the loss, the Insured shall have priority of satisfaction over the Insurer's claim for the remaining part.
2. The Insured shall be obliged to render all assistance to the Insurer and to take all actions that may be required to protect and assert the claims mentioned above. The Insured shall also be obliged not to take any action that may violate the above rights of the Insurer under pain of refusal of indemnity under the Insurance Contract.
3. The Insurer shall not exercise the right of recourse referred to in point 1 against the Insureds, except for Losses arising from Wrongful Act constituting intentional tort, to which the exclusion referred to in § 9(1)(2) shall apply.
4. No claims of the Insured against persons with whom the Insured remains in common household shall be transferred to the Insurer, unless the perpetrator caused the damage intentionally.

## **§ 25 Other insurance**

1. If this does not contradict the provisions of law, the cover granted under the Insurance Contract shall apply only above the amounts of benefits, if any, payable under other insurance contracts or above any other compensation available to the Insured from a third party.
2. In respect of Delegated Persons, the insurance cover granted under the Insurance Contract shall only apply:
  - 1) after taking into account the compensation granted by the Outside Entity; and
  - 2) as excess cover after the limit of the sum insured of other insurance contracts of liability of the authorities of Outside Entity concluded for the benefit of the Delegated Persons has been fully exhausted.
3. Where a retention or deductible applies to the Insured under such other insurance contract, the amount of such retention or deductible shall not be included as a covered loss under the Insurance Contract.

## **§ 26 Company knowledge**

With respect to the insurance coverage indicated in § 5, the conduct of any of the management board members of the Company shall be imputed to that Company and the knowledge of management board members shall be imputed to that Company.

## **§ 27 Territorial scope of coverage**

Subject to other provisions of these General Terms and Conditions, in particular those relating to exclusions of the Insurer's liability, the Insurance Contract shall apply to Insurance Events occurring anywhere in the world, unless prohibited by law in the country in which the Insurance Event occurred.

## **§ 28 Double insurance**

Should the same object of insurance be simultaneously insured against the same risk with two or more insurers for sums which in aggregate exceed its value, the Policyholder or Insured may not claim a benefit in excess of the loss.

## § 29 Making declarations and performing actions

The Policyholder shall act for the Insureds in all matters relating to the conclusion of the Insurance Contract.

## § 30 No assignment

Assignment of rights under the Insurance Contract shall require the written consent of the Insurer for its validity.

## § 31 Governing Law

The Insurance Contract is subject to Polish law.

## § 32 Dispute resolution

An action arising from the Insurance Contract may be brought before a court having general jurisdiction or before a court having jurisdiction at the place of residence or registered office of the Policyholder, the Insured or the beneficiary under the Insurance Contract and the heirs of the Insured or the beneficiary under the Insurance Contract.

## § 33 Change to the terms and conditions of the Insurance Contract

Any changes or additions to the terms and conditions of the Insurance Contract must be made in writing to be valid.

## § 34 Rules of interpretation

Words and expressions used in the General Terms and Conditions in the singular shall also include the plural and vice versa. Capitalized words are defined and may only be understood in accordance with their defined meaning. Words that are not defined have the ordinary meaning.

## § 35 Payment of benefit

1. The Insurer shall pay the benefit within 30 days from the date of receipt of the notice of a covered Insurance Event.
2. If the explanation of the circumstances necessary to determine the liability of the Insurer or the amount of the benefit within the time period referred to in point 1 proves impossible, the benefit shall be provided within 14 days from the day on which, with due diligence, the explanation of these circumstances becomes possible. However, the undisputed part of the benefit shall be provided by the Insurer within the timeframe provided for in point 1.

## § 36 Complaints

1. If the Policyholder, the Insured or any other person entitled to a benefit under the Insurance Contract would like to make a claim to the Insurer, they should do so:
  - 1) in writing to Colonnade: ul. Prosta 67, 00-838 Warszawa, or to the address for electronic deliveries: AE:PL-60996-58497-FSEAB-16, or
  - 2) by telephone at 22 528 51 00 or verbally into the record during a visit to the Insurer's registered office, or
  - 3) by e-mail to: reklamacje@colonnade.pl.
2. The Insurer shall send a response to a complaint in writing within 30 days from the date of its receipt, and in particularly complicated cases within 60 days from the date of its receipt. The response to a complaint may be sent by e-mail, provided that the complainant has asked for it and indicated an e-mail address.
3. In addition, complaints can be made to:
  - 1) Financial Ombudsman,
  - 2) Financial Supervision Authority, which supervises the activity of the Insurer in Poland,
  - 3) Municipal and Poviát Consumer Ombudsmen.
4. Notwithstanding the provisions of this subsection, the Policyholder, the Insured or any other person entitled to a benefit shall have the right to take legal action to enforce their claims.

## § 37 Coverage

1. Subject to the provisions of point 3, the cover of the Insured shall take effect as specified in the Schedule and shall not require the Insured to join the Insurance Contract.
2. The insurance premium is set as a flat rate and does not depend on the number of Insureds.
3. The Policyholder's charging of the cost of the insurance premium or part thereof to individual Insureds shall require the prior written consent of the Insurer. Insurance cover for such Insureds shall commence on the date indicated in the Insurer's decision to approve the financing of insurance premium costs by the Insureds.
4. The Insurer shall decide whether to agree to finance the cost of the insurance premium by the Insureds upon receipt of confirmation from the Policyholder that it has provided all such Insureds with the terms and conditions of the Insurance Contract together with written confirmation from each such Insured that the terms and conditions of the Insurance Contract have been delivered to them.



## Principles of personal data processing

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.

