



**Colonnade Insurance S.A. - Bulgaria Branch**

**Directors and Officers Liability Insurance**

**Terms and Conditions**

006-2021

Valid from 15<sup>th</sup> of November 2021

## General Policy Conditions

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### NOTICE

**The Covers under this Policy are afforded for Claims first made against an Insured during the Policy Period and reported to the Insurer as required by this Policy. Please read these General Terms and Conditions carefully and discuss them with your insurance advisor.**

**Words in bold typeface have special meaning according to the definition given to them. Words that are not specifically defined herein shall have the meaning normally attributed to them.**

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## 1. Covers

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Provided that due insurance premium is paid in compliance with the provisions of these General Terms and Conditions and the **Policy** and on the basis of information contained in the proposal questionnaire submitted by the **Insured**, which forms an integral part of the **Policy**, the **Insurer** and the **Policyholder** shall agree as follows:

The following Covers apply to **Claims** first made during the **Policy Period** and reported to the **Insurer** as required by this **Policy**.

### **1.1. Management Liability**

The **Insurer** will:

- 1.1.1. pay to or on behalf of each **Insured** any **Loss** except to the extent that the **Insured** has been indemnified by the **Company** for such **Loss**; and
- 1.1.2. reimburse or pay on behalf of the **Company** any **Loss** for which it has indemnified an **Insured**.

### **1.2. Company Securities**

The **Insurer** will pay the **Loss** of the **Company** arising from a **Securities Claim**.

### **1.3. Non-Executive Directors And Officers Protection**

The **Insurer** will pay a separate **Excess Limit of Liability** on behalf of each of the **Policyholder's** non-executive directors and officers serving during the **Policy Period** for any **Loss** up to the **Excess Limit** of Liability specified in the **Policy**.

### **1.4. Assets And Liberty**

The **Insurer** will pay (a) the amount of a **Bail Bond** and any (b) **Expenses Related to Assets and Liberty Expenses** of each **Insured**.

### **1.5. Bodily Injury And Property Damage Defense Costs**

The **Insurer** shall pay the **Defense Costs** of any **Insured** for any **Claim** in respect of **Bodily Injury and/or Property Damage** subject to the sub-limit specified in the **Policy**.

### **1.6. Corporate Manslaughter Defense Costs**

The **Insurer** shall pay the **Defence Costs** of any **Insured** with respect to any proceeding brought against them for **Corporate Manslaughter**.

### **1.7. Emergency Costs**

If the **Insurer's** prior written consent cannot reasonably be obtained by the **Insured** and **Defense Costs** must be incurred with respect to any **Claim**, then the **Insurer** will give retrospective approval for reasonable **Defense Cost** up to 20% (twenty percent) of the **Excess Limit of Liability** stated in the **Policy**.

### **1.8. Legal Counsel**

The **Insurer** will pay on behalf of each **Legal Counsel** of the **Company**, the **Loss** of each **Legal Counsel** arising from a **Claim**, but only for **Wrongful Acts** performed in such **Legal Counsel's** capacity providing legal services to the **Company**.

**1.9. Extradition**

The **Insurer** will pay the **Extradition Costs** of each **Insured**.

**1.10. Investigation**

The **Insurer** will pay the **Investigation Costs** of each **Insured Person** arising from an **Investigation**.

**1.11. Outside Directorship**

The **Insurer** will pay on behalf of or will reimburse each **Outside Entity Director** or the **Company** for a **Loss** of each **Outside Entity Director**.

**1.12. Investigation Costs For A Crisis Event**

The **Insurer** will pay **Investigation Costs for a Crisis Event** of each **Insured Person** arising from any **Regulatory Crisis Event** up to the sublimit specified in the **Policy**.

**1.13. Public Relations Expenses**

The **Insurer** will pay **Public Relations Expenses** of each **Insured**.

## 2. Extensions

### 2.1. Extended Discovery Period

The **Insured** shall be entitled to **Discovery Period** if this **Policy** is not renewed or replaced with the same Directors and Officers Liability Insurance:

- (a) automatically for 60 (sixty) days; or
- (b) **Extended Discovery Period**, as specified in the **Policy**, provided that the **Policyholder** pays, no later than 30 (thirty) days after the expiry of the **Policy Period**, an additional premium at the rate of 100% of the full annual premium, and during such **Extended Discovery Period**, the same may notify the **Insurer** in writing of any **Claims** first made against an **Insured** during the **Policy Period**.

**Extended Discovery Period** is non-cancellable and shall not apply in the event of a **Transaction**.

### 2.2. Unlimited (Lifetime Run Off) For Insured Upon Winding Up Of The Company Or Retirement

The **Insurer** will provide an unlimited **Discovery Period** for any **Insured Person** who resigns or retires other than by a reason of **Transaction**, prior to or during the **Policy Period**, provided that:

- (a) this **Policy** is not renewed or replaced with management liability cover; or
- (b) in the event that this **Policy** is renewed or replaced with management liability cover and such renewed or replaced policy does not provide an extended cover for **Discovery Period** of at least 6 (six) years for such **Insured Persons**.

### 2.3. Extension For Defense Costs Related To Environmental Law Violation

The **Insurer** will pay, in addition to the aggregate **Limit of Liability**, the **Defense Costs** incurred by any **Insured** for **Environmental Law Violation**, up to the **Excess Limit of Liability** set forth in the **Policy**.

### 2.4. New Subsidiary

This **Policy** will automatically extend to any entity which becomes a **Subsidiary** during the **Policy Period**, unless, at the time of becoming a **Subsidiary**, such entity:

- (a) is a legal entity whose **Securities** are officially listed and admitted to trading on a regulated market in the United States of America, its territories or; or
- (b) is a legal entity incorporated or formed in the United States of America; or
- (c) has total gross assets which are more than 25 % of the consolidated gross assets of the **Company** at the inception day of the **Policy**; or
- (d) is a **financial institution**

For any such entity that has any of its securities listed on an exchange or market in the United States of America, or is a legal entity incorporated or formed with in the United States of America, or has total assets greater than 25% of the consolidated assets of the policyholder as at the inception date of this policy, or is a financial institution, this Extension 2.4 (New Subsidiary) shall not apply.

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### 3. Definitions

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#### 3.1. Insurer:

Colonnade Insurance S.A. – Bulgaria Branch, branch of Colonnade Insurance S.A, company registered in Luxembourg. Registered Office: 20, rue Eugène Ruppert, L-2453 Luxembourg, The Grand Duchy of Luxembourg.

#### 3.2. Policyholder:

The legal entity indicated in the **Policy** that takes out the insurance policy.

#### 3.3. Company:

- 3.3.1. The **Policyholder**;
- 3.3.2. **Subsidiary**.

#### 3.4. Insured

3.4.1. The **Company**, but only in respect of **Securities Claim**;

3.4.2. Any natural person who was, is or during the **Policy Period** becomes:

- 3.4.2.1. a director or officer, but not an external auditor or insolvency administrator of the **Company**;
- 3.4.2.2. an employee of the **Company**:

(a) a holder of managerial or supervisory position in the **Company**;  
(b) against whom a **Claim** is brought alleging an **Employment Practice Violation**; or  
(c) named as responsible along with a director of the **Company** with respect to a **Claim** in which such employee is alleged to have participated or assisted in the commission of a **Wrongful Act**;

- 3.4.2.3. a prospective director named as such in any listing prospectus issued by the **Company**;
- 3.4.2.4. an **Outside Entity Director**;
- 3.4.2.5. a **Senior Accounting Officer**,

but only when and to the extent that such **Insured** is acting for and on behalf of the **Company** in any of the capacities referred to in 3.4.2.1 to 3.4.2.2.

3.4.3. Natural person who is:

3.4.3.1. a spouse or domestic partner (concubinage); or

3.4.3.2. a heir, legal representative or guardian in the event of death or interdiction, of an **Insured** for **Wrongful Acts** of such **Insured**.

#### 3.5. Subsidiary:

Any entity other than any **financial institution** and/or other than any company of whose issued share capital is offered to the public or otherwise traded on a recognised exchange in the United States of America in which the **Policyholder** either directly or indirectly - through one or more other entities – has or acquires the legal right to:

3.5.1. nominate and appoint the majority of the composition of the management board or supervisory body;

3.5.2. control more than half of the shareholder or equity voting power; or

3.5.3. hold more than half of the share capital, before or on the inception date of the **Policy** and for the purposes of Extension referred to in Section 2.4 New Subsidiary during the **Policy Period**.

**3.6. Claim:**

- 3.6.1.
- (a) a written demand; or
  - (b) a civil, administrative or arbitration proceeding or mediation, including any counter-claims seeking compensation or other legal remedy; or
  - (c) a criminal proceeding; or
  - (d) any proceedings with respect to an **Employment Practice Violation**, made or brought against an **Insured** alleging a **Wrongful act**;
- 3.6.2. a **Securities Claim**;
- 3.6.3. an **Investigation** with respect to an **Insured**;
- 3.6.4. **Extradition proceedings**;
- 3.6.5. **Proceedings related to Insured's assets and liberty expenses**;
- 3.6.6. a **Regulatory Crisis Event**.

**3.7. Extended discovery period:**

A period specified in the **Policy** immediately following the expiration of the **Policy Period**, provided that the **Policyholder** pays, no later than 30 (thirty) days after the expiry of the **Policy Period**, an additional premium at the rate of 100 % of the full annual premium and during such **Extended Discovery Period**, the same may notify the **Insurer** in writing of any **Claims** first made during such period:

- 3.7.1. for a **Wrongful Act** occurred before the expiry of the **Policy Period**; or
- 3.7.2. in the case of **Investigation, Regulatory Crisis Event, Extradition Proceedings** or **Proceedings related to Insured's Assets and Liberty Expenses**, matters which occurred or arose prior to the expiry of the **Policy Period**.

**3.8. Loss:**

An amount which the **Insured** is legally liable to pay resulting from a **Claim** made against an **Insured**, including **Defense Costs** incurred as a result of award of damages (including aggravated damages), due to award of costs or settlements (including claimant's legal costs and expenses), interest accrued for the period until the entry into force of a judgment or multiple damages award. Enforceability of this paragraph for determining indemnifications shall be governed by the most favorable applicable law.

The term **Loss** shall also include **Investigation Costs, Expenses Related to Assets and Liberty expenses, Investigation costs for a crisis event, Prosecution costs, Public relation expenses** and **Extradition costs** and any amounts which are subject to cover under the extensions of this **Policy**.

**Loss** shall not include:

- Tax liabilities, except where an **Insured**, natural person bear personal liability for non-payment of the **Company's** corporate tax;
- employment-related benefits or remuneration of any **Insured**;
- civil, criminal or administrative fines or penalties; or
- amounts which are uninsurable.

**3.9. Non-indemnifiable loss:**

**Loss** of an **Insured** that the **Company** is unable to indemnify due to any legislative prohibition.

**3.10. Regulatory crisis event:**

- 3.10.1. a raid on or on-site visit to the **Company** during the **Policy Period** by an **Official body** that involves the production, review, copying or confiscation of documents or interviews of any **Insured**;
- 3.10.2. a public announcement relating to 3.10.1 above; or
- 3.10.3. the receipt of a formal notice sent from an **Official body** during the **Policy Period**, which legally obliges the **Insured** to produce documents to or answer questions by or attend interviews with that **Official Body**.

**3.11. Policy period:**

The period from the inception date to the expiry date specified in the **Policy**.

**3.12. Continuity date:**

An earlier date referred to in the policy from which the **Insurer** shall be liable for **Claims** due to events occurred prior to the inception date of the policy, but the **Claims** for such events shall be made after the specified **Continuity Date**.

**3.13. Limit of liability:**

An amount specified in the policy up to which the **Insurer** shall be liable for any **Loss** (for all covers in the aggregate) arising out from **Claims** first made against an **Insured** and duly reported to the **Insurer** within the **Policy period** and the **Extended discovery period** (if applicable), whereas the limit of liability applicable to the **Discovery period** is a part of, rather than in addition to the limit of liability applicable to the policy **period**.

**3.14. Excess limit:**

The amount specified in the **Policy** that applies to the **Insured** through a cover or extension of this **Policy** when:

- 3.14.1. the **Limit of liability**;
- 3.14.2. all other applicable management liability insurance whether specifically provided as additional limit over the **Limit of liability** of the **Policy** or not; or
- 3.14.3. all other indemnification for **Loss** provided to such **Insured**,  
have all been exhausted.

**3.15. Wrongful act:**

3.15.1. with respect to any **Insured**:

- (a) any actual or alleged: act, error or omission; breach of duty; inequitable conduct; misstatement; misleading statement; breach of warranty of authority by an **Insured** in his/her capacity of a member of management or supervisory body or an employee; or any other act (omission) for which a claim is made against the **Insured**, a natural person, only because of his/her capacity of a member of management or supervisory body, or of employee; or
- (b) an **Employment Practices Violation**; or
- (c) any actual or alleged act, error or omission that forms the basis of or is connected to or that results in violation of legal obligations for accounting of public companies, for the independent audit of such companies or for disclosure of information concerning public companies established anywhere in the world and/or securities subject to public offering; including any such violation in connection with:

- audit committee service;
- reporting or disclosure requirements regarding companies and/or securities subject to public offering;
- conflict of interest between a member of a management or supervisory body, senior accounting officer or a person holding a management or supervisory position in a public company and between a person conducting independent financial audit of the public company;

3.15.2. with respect to any **Legal Counsel**: any act, error or omission of an **Legal Counsel** in the rendering or failure to render professional legal services to the **Company**, but solely in his/her capacity as such. The term **Wrongful Act** shall not mean any act, error or omission in connection with activities of an **Legal Counsel**:

- (a) which are not related to such **Legal Counsel's** employment with the **Company**;
- (b) which are not rendered on behalf of the **Company** at the **Company's** request; or
- (c) which are performed by the **Legal Counsel** for other persons for a fee.



**3.16. Bodily injury and/or property damage:**

Bodily injury, illness, disease, death or emotional distress, or damage to, destruction, impairment or loss of use of any property.

**3.17. Corporate manslaughter:**

A gross breach of duty of care causing an industrial or workplace death of a person.

**3.18. Official body:**

Any state regulator, government body, government agency, official trade organization or any other body that is empowered by statute to exert control over the affairs of the **Company** or any **Insured**.

**3.19. Outside entity:**

Outside company means any entity other than

(a) a **subsidiary**, or

(b) an entity is not incorporated, domiciled or has its securities listed on a security exchange or market within the United States of America, or

(c) a **financial institution**.

**3.20. Outside entity director:**

A natural person who did or does, or during the **Policy period** begins to serve at the specific request or direction of the **Company**, as a director or officer holding an equivalent position in an **Outside entity**.

**3.21. Retention:**

The amount (in percentage or fixed) specified in the **Policy** which shall be paid by the **Insured** and represents his/her part of the liability for damage in case of an insured event.

**3.22. Transaction:**

Any one of the following events:

3.22.1. the **Policyholder** consolidates with or merges into, or sells all or a majority of its assets to any other person or entity, or group of persons and/or entities acting in concert, resulting in the extinction of the **Policyholder** as an independent legal entity; or

3.22.2. any natural person or entity, or natural persons or entities acting in concert (other than a **Subsidiary**) which acquire the **Policyholder** as their **Subsidiary**;

3.22.3. insolvency, liquidation or other similar proceedings are instituted against the **Policyholder**.

**3.23. Senior accounting officer:**

Director or an officer of the **Company** holding a management or supervisory position, responsible for accounting.

**3.24. US claim:**

Any claim which is brought, filed or maintained within the jurisdiction of, or based upon any laws of the United States of America, their states, administrative units, its territories or possessions.

**3.25. Legal counsel:**

A person who is licensed to practice law and who is employed or was employed at the time of a **Wrongful act** as a **Legal Counsel** of the **Company**.

**3.26. Extradition proceeding:**

Any extradition proceeding against an **Insured**, including any appeal, judicial review applications challenging the designation of a territory for the purposes of extradition law, any challenge or appeal of any extradition decision by the responsible governmental authority, or any applications of the European Court of Human Rights or similar court.

**3.27. Environmental pollution:**

The actual, alleged or threatened discharge, dispersal, release or escape of pollutants (as defined by local applicable legislation), including greenhouse gases; or any regulator direction or request test for, monitor, clean-up, remove, treat, detoxify or neutralize pollutants (as defined by applicable local legislation), including greenhouse gases.

**3.28. Securities:**

Documents (common voting shares in material form) or electronic records (book-entry shares) with certain requisites having an issuer and that are issued as registered or to a bearer in order to materialize transferable rights related to participation with a particular nominal value in the capital of a joint stock company or limited partnership with shares, or related to participation in debt issued by joint-stock company in the capacity of its lender.

**3.29. Securities claim:**

Any claim other than an administrative proceeding against or **Investigation** of the **Company** made against a certain **Insured**:

3.29.1. alleging a violation of legislative instruments regulating **Securities**, the purchase, sale, offer or solicitation of an offer to purchase or sell **Securities**, or any registration relating to such **Securities**:

- (a) brought by any person or entity alleging, arising out of, based upon or attributable to the purchase or sale or offer or solicitation of an offer to purchase or sell any **Securities** of the **Companies**; or
- (b) brought by a holder of **Securities** of the **Company** with respect to such **Security** holder's interest in issue of **Securities** of the **Company**; or

3.29.2. brought on behalf of the **Company** by a **Security** holder of the same.

Notwithstanding the foregoing, the term **Securities Claim** shall include an administrative proceeding against the **Company** that meets the requirements of subsection 3.30.1, but only if and only during the time that such proceeding is also commenced and continuously maintained against an **Insured**.

**Securities claim** shall not include any **claim** by a director or employee of a **company** alleging, arising out of, based upon or attributable to the loss of, or the failure to receive or obtain the benefit of any **securities** (including any warrants or options).

**3.30. Employment practices violation:**

any actual or alleged act, error or omission with respect to any employment or prospective employment of any past, present, future or prospective employee or **Insured** of a **Company** or **Outside Entity**.

**3.31. Violation of environmental laws:**

Any **Claim** based upon, arising out of or attributable to **Environmental pollution**, if and to the extent that such **Claim** is: (a) a **Securities claim**; or (b) is against an **Insured** for **Wrongful acts** in connection with misrepresenting or failing to disclose information as governed by any statutory instrument under a legislation regulating **Environmental Pollution**.

### **3.32. Investigation:**

Any proceeding duly initiated, examination, investigation or collecting data regarding the affairs of a **Company, Outside Entity** or **Insured** of the **Company** or an undertaking in particular (but not being a part of complete research of any branch of business):

3.32.1. by an **Official body** once an **Insured**:

- (a) is required to attend before, produce documents to, answer questions by or attend interviews conducted by the **Official body**; or
- (b) is identified in writing by the **Official body** as a person who shall attend a meeting, be present at an examination or a hearing;

3.32.2. by an **Official body** after the service of institution of proceedings against an **Insured**.

An **Investigation** shall be deemed to be first made when the **Insured** is first so identified as a person subject to **Investigation**, received notice or the above duties are imposed upon him/her.

### **3.33. Investigation Costs:**

The reasonable fees, costs and expenses incurred by or on behalf of an **Insured** for the principal purpose of representing the **Insured**, after obtaining the **Insurer's** prior written consent, of any legal advisor retained in connection with an **Investigation** by or on behalf of the **Insured**.

### **3.34. Investigation Costs For A Crisis Event:**

The reasonable fees, costs and expenses incurred by the **Insured**:

3.34.1 in retaining legal advisors; or

3.34.2 to prepare a report/legal opinion (and any supplementary reports/legal opinions as necessary) for an **Official body**, in response to a **Regulatory Crisis Event**.

### **3.35. Public Relations Expenses:**

The reasonable fees, costs and expenses incurred by an **Insured**, with the **Insurer's** prior written consent, of public relations consultants retained by the **Insured** for the purpose of mitigating the adverse effect or potential adverse effect on that **Insured's** reputation with regard to a **Claim** or **Investigation** covered by the insurance.

### **3.36. Expenses Related To Assets And Liberty Expenses:**

3.36.1. Reasonable fees, costs and expenses incurred, with the **Insurer's** prior written consent, by an **Insured Person** to defend any **Proceedings Related to Insured's Assets and Liberty expenses**.

3.36.2. With respect to subsection .3.37.2 only the expenses detailed below shall be paid directly by the **Insurer** to a third-party service provider in the event of an order from any **Official Body** for confiscation, assumption of ownership and control, suspension or freezing of rights of ownership over real property or personal assets of an **Insured**:

- (a) Schooling cost for dependant non-adults;
- (b) Monthly primary housing mortgage payments or renting cost;

- (c) Utilities cost, including and limited to private water, gas, electricity, phone and internet services; or
- (d) Personal insurance premiums, including and limited to Life, Accidents, Medical Assistance and Health policies.

Provided: (1) these services were contracted by the **Insured** prior to such order and are payable by such **Insured**; (2) this cover of the amount is limited to 60.000 Euros per **Insured** and to 200 000 Euros in the aggregate for the entire **Policy Period**; and (3) this cover will first be available 30 (thirty) days after an order from an **Official Body** and until the **Insured** has obtained his/her revocation of rights or until expiry of 12 (twelve) months, whichever comes first.

**Expenses Related to Assets and Liberty Expenses** shall not include the remuneration of any **Insured** or other expenses of the **Company**.

**3.37. Proceedings Related To Insured's Assets And Liberty Expenses:**

Any proceeding brought against an **Insured** by an **Official Body** seeking:

- 3.37.1. to disqualify an **Insured** from holding an office as a director or officer;
- 3.37.2. confiscation, assumption of ownership and control, suspension or freezing of rights of ownership of real property or personal assets of an **Insured**;
- 3.37.3. a charge over real estate property or personal assets of an **Insured**;
- 3.37.4. a temporary or permanent prohibition on an **Insured** from holding the office of or performing the function of a director or officer;
- 3.37.5. a restriction of an **Insured's** liberty to a specified domestic residence or an official detention;
- 3.37.6. deportation of an **Insured** following revocation of otherwise proper, current and valid immigration status for any reason such **Insured's** conviction of a crime.

**3.38. Bail Bond:**

Payment (but not additional collateral) for any bond or other financial instrument issued to guarantee **Insured's** contingent obligation for a specified amount arising out of a covered judgment or required by a court hearing a **Claim**.

**3.39. Defense Costs:**

- 3.39.1. Reasonable fees, costs and expenses incurred, with the **Insurer's** prior written consent, by or on behalf of an **Insured** after a **Claim** is made, in the investigation, defense, settlement or appeal of such **Claim**; and
- 3.39.2. Reasonable fees, costs and expenses incurred, with the **Insurer's** prior written consent, of accredited experts, retained through defense counsels to prepare an expert evaluation, report, assessment, diagnosis or rebuttal of evidence in connection with the defense of a covered **Claim**.

**Defense Costs** unconditionally include reasonable costs and expenses incurred by any **Insured** for counsels within their home jurisdiction to interpret and apply advice received from counsels in another jurisdiction in response to any **Securities Claim** in such foreign jurisdiction.

**Defense Costs** shall not include expenses for remuneration of any **Insured** or other expenses of the **Company**.

### **3.40. Extradition Costs**

Reasonable fees, costs and expenses incurred by any **Insured** with respect to:

3.40.1. any **Extradition Proceeding**; and

3.40.2. (a) an accredited counselor or tax advisor, retained by the **Insured** directly in connection with an **Extradition Proceeding**, brought against such **Insured**; and

(b) public relations consultants retained by the **Insured** with the **Insurer's** prior written consent in connection with an **Extradition Proceeding**.

### **3.41. Policy:**

The written document in which individual conditions of insurance are stipulated and that is signed by the **Insurer** and the **Policyholder**.

### **3.42 Financial Institutions:**

Financial institutions mean:

a) Banks (w/o limitations, i.e., such as any deposit taking and loan issuing institution, universal banks, investment banks, national banks, central banks, government reserve banks).

b) (Re) Insurers/ (Re) insurance companies.

c) Investment firms, securities firms, broker dealers, stock brokers, asset/wealth/investment/fund managers, investment/fund advisors, funds, trusts and private equity firms.

d) Infrastructure companies such as stock exchanges, clearing and settlement systems, depositories and financial administration companies.

e) Any other financial service provider being involved in the trading of or advice in connection with securities.

## 4. Exclusions

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The **Insurer** shall not be held liable to pay indemnifications related to any **Claim** and/or **Loss** resulting from:

### **4.1. Conduct:**

arising out of, based upon or attributable to:

- 4.1.1. the gaining of profit or advantage to which the **Insured** is not legally entitled; or
- 4.1.2. deliberately committing of any act constituting a criminal act (including any fraud) or any actual dishonest, fraudulent, or malicious act of an **Insured** or wilful damage, deliberate violation of law, regulation, resolutions, authorities by an **Insured**, which is established by final adjudication of a competent authority, judicial or arbitral tribunal against any **Insured** or by any duly written admission by an **Insured**.

For the purposes of determining the applicability of this exclusion, the conduct of any **Insured** shall not be imputed to any other **Insured**.

### **4.2. Prior / pending litigation, known claims, facts and circumstances**

4.2.1 directly or indirectly arising out of the circumstances underlying any **claim** or any legal, administrative or regulatory proceedings against the **insured** first made or commenced prior to the **continuity date**; or

4.2.2 directly or indirectly arising out facts, which have already been known by the **Insured** at the time of the **continuity date** or directly or indirectly arising out circumstances which might reasonably be expected to produce a **claim** which have already been known by the insured at the time of the **continuity date**

### **4.3. Bodily Injury And Property Damage**

**Bodily Injury** and/or **Property Damage** provided that no **Claim** for emotional distress or mental anguish shall be excluded with respect to an **Employment Practice Violation**.

This exclusion shall not apply to subsection 1.5 – **Bodily Injury and Property Damage Defense Costs** or subsection 1.6 – **Corporate Manslaughter Defense Costs**.

### **4.4. US Claims Brought By An Insured**

Any **US Claim** which is brought by or on behalf of any:

- 4.4.1. **Insured**; or
- 4.4.2. **Outside Entity** in which an **Insured** serves or served as an **Outside Entity Director**.

This exclusion shall not apply to:

(a) **Claims** against an **Insured**:

- pursued by any **Security** holder or member of a **Company** or **Outside Entity**; whether directly or indirectly, or pursued as a class action; and that **Claim** has not been brought with the voluntary (rather than legally required) intervention, assistance or active participation of any director or officer of a **Company** or any **Outside Entity Director** other than a director or officer, or **Outside Entity Director** engaged in official **Investigations**;

- for any **Employment Practice Violation** brought by any other **Insured**;

- pursued by an **Insured** for the purpose of obtaining an indemnification, if the **Claim** directly results from another **Claim** otherwise covered under this **Policy**;

- pursued by any past director, officer or employee of either a **Company**, or **Outside Entity**;
  - pursued by an insolvency administrator or liquidator of a **Company** or **Outside Entity**, either directly or indirectly on behalf of a **Company** or **Outside Entity**; or
  - pursued by an **Insured** engaged in any protected activity within the meaning of the applicable US legislation.
- (b) **Defense Costs** of an **Insured**.

## 5. Claims

### 5.1. Reporting Of Claims and Circumstances

The Covers provided under this **Policy** are provided solely with respect to **Claims** first made against or by an **Insured** during the **Policy Period** or applicable **Discovery Period**, or which are accepted as such in accordance with Section 5.2 - **Related Claims or Circumstances**, only if such **Claims** have been reported to the **Insurer** as soon as practicable, after the **Policyholder** becomes aware of such **Claims**, but in any events no later than:

- (a) during the **Policy Period** or applicable **Discovery Period**; or
- (b) within 60 (sixty) days after the end of the **Policy Period** or the applicable **Discovery Period**, provided that the **Insurer** is notified within 60 days after such **Claims** were first made.

Any **Insured** may, during the **Policy Period**, notify the **Insurer** of any circumstances which are expected to give rise to **Claims**. The notice must include the reasons for which that **Claim** is expected to be made, and full relevant particulars, such as dates, **Wrongful Acts** (if any) and information about the potential **Insured** and claimants concerned. All notifications relating to **Claims** or circumstances must be sent to the **Insurer** in writing.

### 5.2. Related Claims Or Circumstances

If notice of a **Claim** or circumstance is given as required by this **Policy**, then any subsequent **Claim**, arising out of, based upon or attributable to the facts or acts, errors or omissions alleged in that **Claim**, or notice of circumstances, shall be deemed to have first been made at the same time as that **Claim** was first made or notice of circumstance was first reported, and reported to the **Insurer** at the time the required notices were first provided.

Any **Claims** arising out of, based upon or attributable to (a) the same or similar originating cause or a **Wrongful Act**, (b) the same circumstance or **Transaction** or a number of circumstances or **Transactions** involving similar grounds, (c) a series of continuous, repeated, related or connected **Wrongful Acts** or (d) the same or similar originating causes or **Wrongful Acts** involving a number of circumstances or **Transactions**, whether or not committed by more than one **Insured**, and whether directed to or affecting one or more person or entity, shall be considered a single **Claim** for the purposes of this **Policy**.

### 5.3. Defense And Settlement

Any **Insured** shall at their own cost render all reasonable assistance to and cooperate with the **Insurer** in respect to investigation, defense, settlement or appeal of any **Claims** or circumstances, and provide the **Insurer** with all relevant information pertaining to any **Claim** or circumstance, as the **Insurer** may reasonably require. In case that a **Claim** is made, each **Insured** shall take reasonable steps to reduce or diminish any **Loss**.

The **Insured** shall have the obligation to defend and contest any **Claims** made against him/her. The **Insurer** shall be entitled to participate fully in the defense and in the negotiation of any settlement that involves or appears reasonably likely to involve the **Insurer**.

The **Insurer** may estimate, depending on any potential conflict of interest between **Insured**, whether the retention of separate legal representation is reasonable and necessary.

If a **Claim** is made against an **Insured**, the **Insurer** shall have no duty or obligation to communicate with any other **Insured** or the **Policyholder** in relation to that **Claim**.

The respective **Insured** or **Policyholder** shall reimburse the **Insurer** for any payments, which are subsequently determined not to be covered by the **Policy**.

### 5.4 Consent

The **Insured** shall not admit or assume any liability, enter into any settlement agreement or consent to any judgment, or incur any costs and expenses (except with respect to Cover 1.7 – **Emergency Expenses**) without the prior written consent (which shall not be unreasonably delayed or withheld) of the **Insurer**. Only liabilities, settlements, judgments, costs and expenses, which have been consented to by the **Insurer**, and only those **Claims**, defended in accordance with this **Policy** shall be recoverable as **Loss** under this **Policy**.

Where there is a dispute between the **Insured** and the **Insurer** as to whether a **Claim** should be settled or should continue to be defended, the **Insurer**, at its sole discretion, shall decide on the necessary actions to be taken.



#### **5.5. Allocation**

The **Insured** will be liable only for a **Loss** derived exclusively from a covered **Claim**. If a **Claim** involves both, covered and uncovered matters or persons under this **Policy**, then the **Insured** and the **Insurer** shall make reasonable efforts to determine a fair and equitable allocation of **Loss**, covered under this **Policy**, taking into account the legal and financial exposures, and the relative benefits obtained by the relevant parties.

#### **5.6. Payment Of Costs**

The **Insurer** will advance all covered costs and expenses immediately after sufficiently detailed invoices for those costs and expenses are received and accepted for payment by the same.

#### **5.7. Order Of Payments**

The **Insurer** will pay **Loss**, covered under this **Policy** in the order in which such **Loss** is presented to the **Insurer** for payment. Should the **Insurer**, at its sole discretion, determine that the **Limit of Liability** will not be sufficient to cover all such **Loss**, the **Insurer** shall pay **Loss** in the following order:

- 5.7.1. **Loss** of **Insured** for which the **Company** has not indemnified the **Insured**;
- 5.7.2. with respect to the **Limit of Liability**, the **Insurer** may, at its sole discretion, request the **Policyholder** to specify in writing the order and the amounts in which **Loss** is to be discharged, or to receive such balance to be held on behalf of any **Insured**, who has incurred such **Loss**.

Subject to section 6.1 – **Limit of Liability** – in making payments pursuant to this section with regard to this order of payments, the **Insurer** shall be fully discharged from its obligations under the **Policy**.

#### **5.8. Subrogation**

In the event of any payment under this **Policy**, the **Insurer** shall be subrogated to the extent of such payment to all of the **Insured**'s rights of recovery and/or indemnity. The **Insured** will render duly assistance and will not perform any actions which could infringe on or restrict such rights.

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## 6. Limit of Liability and Retention

### 6.1. Limit Of Liability

The total amount payable by the **Insurer** under this **Policy** shall not exceed the **Limit of Liability**, except in cases related to Cover referred to in Section 2.3 – Non-Executive Directors Protection - where the **Insurer's** liability is in excess of and in addition to the **Limit of Liability**.

The **Insurer** shall have no liability for payment of amounts in excess of such limit, irrespective of the number of **Insured Persons** or amount of any **Losses**, including with respect to **Claims** specified in Section 5.2 – Related Claims or Circumstances.

### 6.2. Retention

The **Insurer** will only pay for any amount which is in excess of the **Retention**. The **Company** will be liable for the **Retention** as specified in the **Policy** which will remain uninsured. A single **Retention** will apply to all **Loss** arising from any **Claim** specified in Section 5.2 – **Related Claims or Circumstances**.

If any **Company** is legally permitted or required to indemnify an **Insured**, but fails to do so within 30 days, then the **Insurer** shall advance all **Loss** within the **Retention**, which will be repaid by the **Company** to the **Insurer** as soon as reasonably practicable.

### 6.3. Other Insurance and Indemnification

This **Policy** in any cases shall provide cover only for excess which remains uncovered by other valid and payable insurance, including but not limited to, any directors and officers liability, management liability, employment practices liability, environmental impairment liability, pension trustee liability, product liability or general liability insurance; or any indemnification payable to the **Insured** from any other party.

With respect to **Outside Entities**, insurance provided by this **Policy** shall cover the excess which remains uncovered by:

- (a) any indemnification provided by **Outside Entities**, and
- (b) any other valid insurance subject to payment issued to **Outside Entities** for the benefit of its directors, officers or employees.

Cover for **Legal Counsels** provided by this **Policy** shall specifically apply to excess which remains uncovered by other valid lawyers professional insurance subject to payment, legal malpractice or errors and omissions insurance, in the event of exhaustion of such other insurance due to losses paid thereunder.

If the **Insured** bears a retention or deductible under any other valid or enforceable insurance as mentioned above, such **Retention** shall not be recoverable as **Loss** under this **Policy**.

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## 7. General Provisions

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### 7.1. Non-Rescindability

This **Policy** may not be disputed or cancelled in whole or in part by the **Insurer**, unless within the meaning of deliberate misrepresentation or non-disclosure of circumstances by the **Policyholder** and involuntary misrepresentation of circumstances by the **Policyholder** of the Insurance Code.

### 7.2. Non-Payment Of Premium

This **Policy** may not be cancelled except for non-payment of the premium due.

### 7.3. Severability Of The Policy

This **Policy** is severable and provides insurance cover for each **Insured** for its own individual interest.

No statements made by or on behalf of any **Insured** (including by an agent of the **Insured**), nor any information or knowledge of which the **Insured** is informed, nor any conduct of an **Insured** shall be imputed to or ascribed to any other **Insured** for the purpose of determining their entitlement to cover under this **Policy**.

With respect to Cover 1.2 – **Company Securities** only, the statements made by, information known by or any conduct of a chief executive officer and/ or chief financial officer (or officers holding equivalent executive or management positions) of a **Company** will be considered and imputed to that **Company**, and the knowledge of the same officeholders of the **Policyholder** will be imputed to all **Companies**.

### 7.4. Changes In Risk

#### 7.4.1. **US Securities**

If during the **Policy Period**, an increase in the United States market capitalization of a **Company** occurs, exceeding the percentage specified in the **Policy** as the individual or collective result of an offering or offerings of **Securities**, the **Insurer** shall not be liable to make any payment under insurance covers or extensions directly or indirectly arising out of based upon or attributable to any **Wrongful Act** of such **Company** or any **Insured**, committed after the date the percentage is exceeded, where such **Wrongful Acts** are connected with offering or listing of **Securities** or violation of reporting requirements.

Notwithstanding of the above, where any such change in market capitalization occurs, cover may be extended under this **Policy** provided that the offering **Company** provides the **Insurer** with sufficient details to permit the **Insurer** to assess and evaluate its exposure as a result of such change, and accepts any consequent amendment to the **Policy** terms and conditions, including payment of any additional premium required by the **Insurer**. Any extension of cover pursuant to this provision must be agreed in writing by the **Insurer** by endorsement to this **Policy**.

#### 7.4.2. **Subsidiaries**

Insurance covers for **Subsidiaries** or for **Insured** of any **Subsidiary** shall apply only to acts, errors or omissions occurring while such **Subsidiary** is still a **Subsidiary** and whilst such **Insured** acts in the capacity of an **Insured**. Insurance covers for **Outside Entities** shall apply only to acts, errors or omissions occurring whilst the **Outside Entity** is still an **Outside Entity** and while such **Outside Entity Director** still acts in the capacity of an **Outside Entity Director**.

Notwithstanding of the above, upon request by the **Policyholder**, the **Insurer** may provide cover for acts, errors or omissions occurring prior to the acquisition of any **Subsidiary**, on whatever terms, conditions and limitations it deems appropriate, including payment of any additional premium required by the **Insurer**.

### 7.5. Transactions

The **Insurer** shall not be liable for **Loss** arising out of, based upon or attributable to a **Wrongful Act**, committed after the effective date of a **Transaction**.

## **7.6. Disputes**

Any dispute regarding any aspect of this **Policy** or any matter relating to cover thereunder, which cannot be resolved by mutual agreement, including such disputes arising out of its interpretation, validity, implementation or cancellation, will be referred to the competent court according to the seat of the **Insurer**.

## **7.7 Notice And Authority**

The **Policyholder** shall act on behalf of any **Insured** in connection with all matters relevant to this **Policy**. In the event of a **Transaction**, insolvency or liquidation of the **Policyholder**, each **Insured** shall act on its own behalf.

## **7.8. Assignment**

This **Policy** and any rights under or in respect of it cannot be assigned to any third party without the written consent of the **Insurer**.

## **7.9. Governing Law**

The Bulgarian law shall apply to all matters regarding insurance relationship that have not been settled herein.

## **7.10. Headings And Titles**

The descriptions in the headings and titles of this Policy are solely for reference and convenience and do not lend any meaning to this Policy. Words and expressions in the singular shall include the plural and vice versa.

## **7.11 Territory & legal actions**

Unless set out otherwise in the policy or prohibited from doing so by the relevant law or regulation, this policy applies to events covered by this policy occurring anywhere in the world or **claims** wherever made, based upon acts occurring anywhere in the world.

## **7.12. Premium Payment**

The insurance premium is defined in accordance with the Insurer's tariff. The insurance premium, or the first installment of the premium, must be paid by the Policyholder to the Insurer within 30 days as of the effective date of the insurance contract, unless agreed otherwise. If the insurance premium, or the first installment of the premium, is not paid within 30 days as of the effective date of the insurance contract or as agreed, it shall be deemed that as of the date of its conclusion, the insurance contract has not created any legal consequences for the parties. Exclusive of the hypothesis of delayed payment of the insurance premium, or the first installment of the premium, in case of non-payment of any due consecutive installment within the agreed deadline, the insurance contract may be terminated unilaterally by the Insurer after 15 days from premium due date or the installment due date. Termination of the insurance contract becomes effective after the expiration of 15 days from the date of receipt of the Insurer's notification of termination for non-payment by the due date. In this case, the Policyholder shall be obliged to pay the insurance premium up to the date of termination of the insurance contract by the Insurer. The amount of the due insurance premium, as per the previous sentence, shall be determined pro rata for the period between the effective date of the insurance contract and the date of termination.

## **7.13. Personal Data**

**7.13.1.** In consideration of the data subjects' right to information, the Insurer shall notify the users of the insurance services that:

**7.13.1.1** The Insurer is a Personal Data Controller in accordance with the Regulation (EC) 2016/679 of the European Parliament and of the Council dated 27 April 2016 on the protection of individuals with regard to the processing of personal data and on the free movement of such data and the repeal of Directive 95/46 / EC, as data for the identification of the Insurer and its representative can be found on the website of the Commercial Register ([www.brra.bg](http://www.brra.bg)) and in the "Privacy Policy" of the Insurer published at <http://www.colonnade.bg>;

Personal data controller is also Colonnade Insurance S.A., which carries out operations in Bulgaria through its local branch (hereinafter referred to for the sake of brevity as Colonnade/Controller/Insurer).

**7.13.1.2.** The personal data provided by the Insured or the Policyholder shall be used by the Insurer for the purposes of: the conclusion and performance of insurance contracts and the fulfilment of legal rights and interests in relation to the contracts, and for marketing purposes also;

The legal basis and purpose of the processing of personal data is to take actions before the conclusion of the insurance contract, including the implementation of the legal obligation of the Insurer to assess the insurance risk and assess the customer needs (adequacy of the offered product).

Personal data can also be processed for the abidance by the legal obligations of the Controller, and the need for their processing always derives from legal basis (in relation to the insurance business, complaint handling, tax and accounting matters, statistical and actuarial duties and the protection of users), as well as for purposes arising from the legally based interests of the Controller

(i.e., reduction of insurance risk through reinsurance, prevention of damage to the Controller through counterreaction to an insurance crime, assurance of the observance of international sanctions through analysis or protection against claims arising out of the Controller's activities, including all necessary actions for their provision).

Personal data may be disclosed to other subjects only in connection with the fulfillment of the aforementioned purposes and on the basis of a written agreement (including IT service providers, insurance intermediaries, experts, collectors of receivables) and other subjects in connection with a reasoned purpose of the Controller (including insurance companies, reinsurers, payment operators, companies providing direct services to the claimants).

For the purposes of execution of the concluded insurance contracts, the personal data shall be stored on a server owned by the Insurer in Bulgaria (the city of Sofia) and in Slovakia (the city of Košice) (as well as in others countries within the EU).

**7.13.1.3.** Subject to the legal ground, their personal data may be disclosed to the following categories of recipients: persons having the quality of "Processor of personal data" within the meaning of § 1, item 3 of the Personal Data Protection Act; persons and institutions legally storing data regarding their solvency and payment readiness; to third parties, institutions or organizations in cases where the disclosure is based on an express legal provision; to third parties for statistical purposes; to third parties, as agreed between the parties. Subject to a legal ground, their personal data may also be used for direct marketing purposes and made available to third parties in this regard.

**7.13.1.4.** The provision of their personal data is entirely free and voluntary. The refusal to provide them is grounds for the Insurer to refuse to enter into a contract or to take any other action if the lack of such data does not enable it to make the expected actions and to make an objective assessment of the risk of the transaction or otherwise endangers the fulfilment of its legitimate interests;

**7.13.1.5.** Each person who has provided his / her personal data has the right of access to them, as well as the right to request their correction, deletion or limitation of the processing according to the terms and conditions of the applicable Bulgarian legislation. The data subject has the right to request access to his or her personal data, request correction of the data, their deletion, to restrict their processing or to oppose to their processing and against the right to transfer the data, and to submit a complaint to the relevant data protection authorities (both in Bulgaria – the Commission for Personal Data Protection, with address: 2, Prof. Tsvetan Lazarov Blvd, Sofia, and in Luxembourg - National Commission of Data Protection, 1 avenue du Rock'n'Roll, L-4361, Esch-sur-Alzette) and has the right to withdraw its consent to the processing of personal data.

The rights of individuals are described in the "Privacy Policy" published at <http://www.colonnade.bg>

**7.13.1.6.** With the conclusion of this insurance, the Policyholder / the Insured person explicitly agrees that the personal data provided at the conclusion of the insurance (the insurance contract) will be processed in the manner and for the purposes stated in the "Privacy Policy", which is published at <http://www.colonnade.bg>, by performing of any operation or set of operations with the provided personal data or with the set of personal data including the data provided by the Policyholder / the Insured during the process of concluding the insurance contract by automatic or other means, which operations, at the discretion of the Insurer, consist of collecting, recording, organizing, structuring, storing, adapting or modifying, retrieving, consulting, using, disclosing by transmission, dissemination or other means by which the data become available, arrangement or combination, limitation, erasing or destroying. The processing of personal data may also include the provision of personal data by the Insurer to third parties (including an entity established in a country which is not a Member State of the European Union and a Member State of the European Economic Area) for the purposes of the insurance, for the purposes of direct marketing and for statistical purposes, as specified in the previous point.

**7.13.2.** Depending on the purpose, personal data will always be processed no longer than the provided by the law prescriptions for claims. Personal data may only be transferred to data controllers in third countries (outside the European Economic Area) in statutory prescribed situations, in particular if conditions ensuring an adequate level of personal data security are met. In order to comply with established international sanctions, the Controller can transfer personal data on Insured/Policyholder to DXC Technology, a United States-based company that has joined the Privacy Shield Program, which means that DXC Technology ensures the appropriate protection measures and protection of personal data required by EU legislation.

**7.13.3.** The provision of personal data is necessary for the conclusion of an insurance contract and for the fulfillment of the legal obligations of the Insurer. It is not possible to conclude an insurance contract without providing personal data.

**7.13.4.** You can contact the Controller by writing to Colonnade Insurances S.A. - Branch Bulgaria, by calling +359 2 930 93 30 or by sending an email to [info@colonnade.bg](mailto:info@colonnade.bg). For any matter relating to the processing of personal data, in particular the exercise of your rights in relation to data processing, opposition or data transfers outside the European Economic Community, you may contact the Data Protection Officer at Colonnade Insurances S.A. - Bulgaria Branch ([dpo@colonnade.bg](mailto:dpo@colonnade.bg)) or send a letter to Colonnade Insurances S.A.- Branch Bulgaria at the specified address.

To learn more about how the Insurer processes and protects the confidentiality of personal data, please visit <http://www.colonnade.bg>

## 7.14. **Notifications**

1. Each of Insured's/Policyholder's notifications relating to the insurance must be sent to Insurer's address and/or e-mail indicated in the policy. Each of Insurer's notifications to the Insured/Policyholder will be sent to the Insured's/Policyholder's address indicated in the policy.

2. At conclusion of the insurance policy, the Insured/Policyholder declares an e-mail address to which the latter will receive notifications, including notifications for amendments of the terms and conditions of the policy, concerning the amount of insurance

premium and other matters. The Insured/Policyholder shall be obliged to promptly inform the Insurer in writing in case of a change in address and/or e-mail address indicated in the policy and provide the Insurer with his new address/e-mail. Until receipt of notice of change of Insured's/Policyholder's address/e-mail from the Insurer, relevant notifications will be sent to the address/e-mail indicated in the policy and those shall be considered delivered and received by the Insured/Policyholder with all legal consequences stipulated by law or the policy.

#### **7.15. Complaints**

1. The Insurer will do anything possible to ensure the Insured/Policyholder receives service at the highest level. If, however, the Insured/Policyholder still has any comments or complaints regarding the Insurer's service, the Insured/Policyholder may contact the Insurer at the address indicated in the policy.

2. In order to satisfy the Insured's/Policyholder's request as soon as possible, the latter should specify the number of the policy or claim (or both). The Insurer will try to resolve any problem or difficulty that may arise. If, however, the Insured/Policyholder is not completely satisfied, they may contact the Financial Supervision Commission of the Republic of Bulgaria, responsible for the supervision of insurance business, at the following address: Sofia 1000, 16 Budapeshta Str. Filing complaints under this procedure does not preclude the Insured's right to file a claim in the competent court.

#### **7.15. Sanction Limitations And Exclusions Clause**

The insurer shall not be deemed to provide cover and the insurer shall not be liable to pay any claim or provide any benefit hereunder to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose the insurer 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 and Canada

**The present General Conditions have been accepted by the Insurer as of 15.11.2021.**

**Signature of the Policyholder:**

**Signature of the Insurer:**