

# INSURANCE POLICY FOR LEGAL LIABILITY OF DIRECTORS TRUSTEES AND OFFICERS

In consideration of the premium paid and in reliance upon the statements made to the insurer by proposal forming part of this policy and its attachments and all other materials incorporated therein, Lloyd's Syndicate, hereafter referred to as the "**insurer**", agrees as follows:

## 1. INSURING AGREEMENT

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### A: LEGAL LIABILITY OF DIRECTORS, TRUSTEES AND OFFICERS

The insurer shall pay on behalf of each insured, to the extent of the limit of liability under item 3 of the Schedule, any amount that the insured may be legally liable to pay for loss resulting from any claim first made against the insured by any third party during the policy period for any actual or alleged wrongful act of the insured, also in the event of serious misconduct, committed in the insureds capacity as director, trustee or officer of the company, except when and to the extent that the company has indemnified the insured.

### B: CORPORATE REIMBURSEMENT

The insurer shall pay, to the extent of the limit of liability under item 3 of the Schedule, the loss of the company resulting from any claim first made against the insured during the policy period for actual or alleged wrongful acts, also in the event of serious misconduct, committed in the insureds capacity as a **director, trustee or officer** of the company, but only when and to the extent that the company has indemnified, or is permitted or required to indemnify, the insured under the law.

Subject to the terms and conditions of this policy, the insurer shall advance defence costs resulting from such claims before their final resolution.

## 2. DEFINITIONS

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- 2.1 Director or Trustee** means any natural person duly appointed or elected as a member of the Board of Directors, the Management Control Committee, the Management Board, the Supervisory Board or the Board of Trustees of the company. **Officer** means any natural person duly appointed by the company, but only acting in a supervisory position. In the definition of Officer is included also who edit account documents for the Society, as provided by Law n. 262/2005.
- 2.2 Insured** means any past, present or future **director, trustee or officer** of the company and any of its subsidiaries. Cover will automatically apply to all new **directors, trustees and officers** after the inception date of this policy. **Insured** shall also include any employee who's liable of personal security as provided by Dlgs 81/08, and also the person who's nominated liable for respecting privacy law rules as provided by Law 196/03, any member of Auditing board (as provided by D Lgs 231/01), limited to management and supervision functions. **Insured** shall also include any employee of the company who is considered liable as a de facto director.
- 2.3 Insurer** one or more Lloyd's Syndicate.
- 2.4 Wrongful act** means any breach of duty, breach of trust, negligence, error, misstatement, misleading statement, omission, failure to fulfill the obligations resulting from the law or the articles of association, or any other actual or alleged act in the insured's capacity as a **director, trustee or officer** of the company leading to a claim against the insured. Cover is also afforded in the event of serious misconduct.
- 2.5 Policyholder** means the organisation specified in Item 1 of the Schedule.
- 2.6 Defence costs** means reasonable fees and expenses (including any bond) incurred with the written consent of the insurer and resulting solely from investigations, adjustment, settlement, defence and appeal of any claim but shall not include the salary of any insured.
- 2.7 Continuity date** means the date specified in Item 6 of the Schedule.
- 2.8 Common law country** means any country whose laws are based upon the Anglo Saxon tradition of customary law or whose judicial decisions are based upon the Common Law, which countries include but are not limited to the United States of America, Canada, Australia, New Zealand, the United Kingdom, the Republic of Ireland, and any state, territory or political subdivision thereof.
- 2.9 Pure financial Loss** means any amount that the insured are liable for in connection with one or more claims as a result of any judgment or other

adjudication, arbitration, settlement, out-of-court arrangements with the prior written consent of the insurer (as well as all relevant defence costs). However, loss will not include: civil or criminal fines or penalties, any kind of non-compensatory damages, taxes and any amount for which the insured is not legally liable, or matters which are considered uninsurable under the law pursuant to which this policy shall be construed. Damages and costs resulting from judgments or from out-of-court arrangements relating to more than one claim made against the insured but attributable to a single wrongful act will be considered a single loss.

In the event of a claim which alleges that the price or consideration paid or proposed for the acquisition or completion of the acquisition of all, or substantially all the ownership interest in, or assets of, an entity is inadequate, loss with respect to such claim shall not include the amount of any judgment or settlement representing the actual amount by which such price or consideration is increased or decreased (including the related legal expenses of the claimant), provided, however, that this paragraph shall not apply to defense costs. Without prejudice to the EPL guarantee, definitions from 2.19 to 2.22.

**2.10 Policy period** means the period of time specified in Item 2 of the Schedule.

**2.11 Discovery period** means the period of time specified in Extension 4.3, following the expiry date of this policy, during which written notice may be given to the insurer of any claim first made against the insured during such period of time, as a result of any wrongful act committed prior to the beginning of the discovery period and otherwise covered by this policy.

**2.12 Full annual premium** means the amount of premium in effect immediately prior to the end of the policy period.

**2.13 Claim** means:

- (i) any civil proceeding brought against an insured for monetary damages or other relief;
- (ii) any written demand made by any person or entity, other than the company or an insured, with the intention to hold the insured liable for the results of any specified wrongful act;
- (iii) any criminal proceeding brought against an insured;
- (iv) any administrative or out-of-court proceeding, or any official investigation or enquiry regarding any specified wrongful act of an insured; any administrative or regulatory proceeding commenced by: (a) the service of a complaint or similar pleading; or (b) the receipt or filing of a notice of charges; or
- (v) any enquiry conducted against an insured in connection with a wrongful act:
  - (a) once such insured is identified in writing by the investigating authority as a person against whom a proceeding described in Definition 2.13(ii), (iii) or (iv) above may be commenced; or
  - (b) in the case of an investigation by any international or local authority that specifically regulates the offering, purchasing or selling of securities into the affairs of an insured, after the service of a subpoena upon such insured;

The term Claim shall include securities claims made against an insured (unless otherwise provided for) and employment practice claims. For the purposes of this policy, claims resulting from a single wrongful act shall be considered to be a single claim.

**2.14 Single wrongful act** means a wrongful act, or series of related, continuous or repeated wrongful acts, whether committed by the insured individually or by more than one insured and whether directed to or affecting one or more than one person.

**2.15 Company** means the policyholder and any of its subsidiaries, as defined in Item 2.17 of this clause.

**2.16 Subsidiaries or Affiliated companies** means companies in which the policyholder, at the inception of the policy, either directly or indirectly, i.e. through one or more of its subsidiaries:

- (i) controls the composition of the Board of Directors; or
- (ii) controls more than half of the voting power; or
- (iii) owns more than half of the issued share capital.

Cover for any claim against any **director, trustee or officer** of any subsidiary shall apply only for any wrongful act(s) committed while such company was a subsidiary of the policyholder under this policy.

**2.17 Security** means any note, bond, evidence of indebtedness, debenture, bill of exchange, credit instrument, share or other equity or debt security of the company, including any certificate of interest or participation in, receipt for, warrant or other right to subscribe to or purchase, voting certificate relating to, certificate of deposit for any of the foregoing.

**2.18 Transaction** means any of the following events:

- (i) the policyholder consolidates with or merges into or sell all or substantially all of its assets to third parties;
- (ii) any person or entity, either individually or together with any other person or entity, acquires an amount of the outstanding shares or stocks representing more than 50 per cent of the voting power for the election of the directors of the policyholder, or otherwise acquires the voting rights for such an amount of the shares;

(iii) in case of insolvency "de facto and de jure".

- 2.19 Employment practice claim** means any claim or series of related claims made by past, present or prospective employee of the company, as well as consultants with either fixed term contract or permanent contract arising out of any actual or alleged unfair or wrongful dismissal, discharge or termination, either actual or constructive, of an employment relationship, employment-related misrepresentation, wrongful failure to employ or promote, wrongful deprivation of career opportunities, unfair discipline, failure to provide accurate job references, failure to grant tenure or negligent employee evaluation, sexual or racial, or workplace or disability harassment of any kind (including the alleged creation of a harassing workplace environment), or unlawful discrimination, whether direct or indirect, intentional or unintentional, or failure to provide adequate employee policies and procedures. Including also what provided by Law 92/2012 (known as Riforma Fornero).
- 2.20 Illegal act** in the management of working relationships shall mean any kind of discrimination, with particular reference to EU Directives 200/78/EC and 2000/43/EC, as later amended and supplemented, in addition to the provisions of paragraph 2.19.
- 2.21 Collective Dismissal** and job mobility shall be related to the provisions of Law 233 of 1991, as later amended and supplemented. For the purposes of the policy, collective dismissal will occur only if more than 5 employees are dismissed.
- 2.22 Patrimonial Loss** shall mean any compensable damage for which the Insured is liable under the law against third parties. It shall be connected, for example, to the provisions of Article 18 paragraphs 4 and 5 of Law 300 of 1970 (known as Workers' Statute), as later amended and supplemented. Punitive damages and compensation in lieu of notice for a maximum of 14 monthly gross salaries.

### 3 EXCLUSIONS

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The insurer shall not be liable to make any payment in connection with claims made against the insureds:

- 3.1 directly or indirectly arising from, consequential of dishonest, fraudulent and mendacious acts of Directors and other representatives of Society. The Insurers must anyway indemnify the Directors and other Representative of Society in reference with:
- (i) costs and legal expensive in case of positive judgment
  - (ii) losses relate to a negative judgment for an illicit act if it is pronounced not for dishonest or fraudulent acts, but for other liability of Directors or of Society Representatives.
- 3.2 resulting from:
- (i) the actual gaining of any personal profit or advantage to which the insured was not legally entitled;
  - (ii) profits effectively gained and in fact resulting from the purchase or sale by the insured of securities of the company (buy-back) within the meaning of Section 16(b) of the Securities Exchange Act of 1934 (USA) and any amendments thereto or similar provisions under the statutory law of any state of the United States of America;
  - (iii) dishonest or fraudulent acts.

For the purposes of determining the applicability of exclusions 3.1 (i), (ii) and (iii), the wrongful acts of any insured shall not be imputed to any other insured. These exclusions shall only apply if the conducts described therein are confirmed through any civil or criminal proceeding, an administrative proceeding, or through investigations, arbitration or other litigation against the insured, or through any admission made orally or in writing in or outside of court by an insured, providing that the conduct or conducts under (i), (ii) and (iii), did in fact occur.

- 3.3 resulting from facts already reported, or from the same wrongful acts or related wrongful acts reported or alleged in any claim which has already been notified to the insurer, or resulting from facts alleged in any circumstance of which notice has already been given to another insurer under any policy of which this policy is a renewal or replacement, or whose content has been incorporated, wholly or partially, either directly or indirectly, into this policy; arising out of any claim(s) made against the insureds in connection with any litigation, inspection, dispute, investigation or pending matter that was known or discovered prior to the policy inception date.
- 3.4 arising from any litigation pending or commenced prior to the pending or prior litigation continuity date specified in Item 6 of the Schedule, or relating either directly or indirectly to the facts already alleged in the litigation;
- 3.5 resulting from any act or omission in the insureds' capacity as directors, trustees or officers of companies or entities other than the company;
- 3.6 resulting, directly or indirectly, from real or alleged bodily injuries, sickness or disease, emotional distress (with the exception of loss

relates to “disputes on subordinated work’s matter” as provided in the relative definition) or death of any person, or damage to or destruction of any tangible property, including any action causing loss of use thereof;

- 3.7 which are the consequence of wrongful acts of directors, trustees or officers in their capacity as administrator of any pension, profit sharing or employee benefit plan.
- 3.8 arising out of any claim(s) made against the insureds directly or indirectly attributable to, or in any way referred to the performance, by the company, by affiliated companies or by the insureds, of specific operations or professional activities, the provision of services or professional advice to third parties, and/or any act, error or omission relating to such services or professional advice, even in connection with the policyholder’s business.
- 3.9 arising out of or in any way involving, directly or indirectly, the actual, alleged, imminent or threatened discharge, dispersal, release or escape of pollutants; or any direction or request to test for, monitor, remove, cleanup, contain, treat, detoxify or neutralise pollutants, nuclear material or nuclear waste; provided, however, that this exclusion shall not apply to defence costs in case of positive judgment. The coverage is provided in the limit reported in the schedule and limited to the losses happened in Italy and under the Italian legislation; in any case Insurers won’t pay more than € 50.000 aggregate per year, intended as liability’s part (not in addition of it).
- 3.10 directly or indirectly caused by, or consequential of or originated by:
  - (i) ionizing radiation or radioactive contamination coming from nuclear combustible or any other nuclear rubbish deriving from use of nuclear combustible;
  - (ii) radioactive, toxic or explosive properties on any group of nuclear explosive or its nuclear component;
  - (iii) claim which has as object taxes, penalty, contribution of Social Security, contribution of retirement account or any other sentences of settlement imposed directly to Directors and to other representative person of the Society, or any other settlement request that, as provided by law, can’t be cover by Insurance.
- 3.11 arising directly or indirectly out of or resulting from or in consequence of, or in any involving:
  - (i) Asbestos, or any materials containing asbestos in whatever form or quantity; or
  - (ii) The actual, potential, alleged or threatened formation, growth, presence, release or dispersal of any fungi, moulds spores or mycotoxins of any kind; or
  - (iii) Any action taken by any party in response to the actual, potential, alleged or threatened formations, growth, presence, release or dispersal of fungi, moulds, spores or mycotoxin of any kind, such action to include investigating, testing for, detection of, treating, remediating or removing such fungi, moulds, spores or mycotoxins; or
  - (iv) Any governmental or regulatory order, requirement, directive, mandate or decree that any party take action in response to the actual, potential, alleged or threatened formation, growth, presence, release or dispersal of fungi, moulds, spores or mycotoxin of any kind, such action to include investigating, testing for, detection of, treating, remediating or removing such fungi, moulds, spores or mycotoxins.
- 3.12 presented in the name of and behalf of thirds in relation of claims committed on United States of America or in Canada, or if the process will take place in front of U.S.A. or Canadian Courts
- 3.13 regardless of any other (previous, simultaneous or subsequent) contributory causes or circumstances this insurance is not effective in respect of losses (capital, cost and expenses) of any type that may be directly or indirectly connected to, caused by, resulting from any of the event listed hereunder:
  - (i) Wars, invasions, acts of the enemy, hostilities, war operations (with or without a declaration of war), civil wars, rebellions, revolutions, insurrections, civil disorder that constitute or assume the entity of an uprising, establishment and preservation of a military regime, usurpation of power, or
  - (ii) Any act of terrorism and / or sabotage.

For the purposes of this clause, terrorist act shall consist in, but not limited to, the use of force or violence and/or a threat to use them exercised by any person or group of people, operating on her/their own or on behalf of or in connection with any organization or government, for political, religious, ideological or similar purposes, in order to influence governments and / or scare the population or part of it.

This insurance is not effective in relation to losses (capital, costs and expenses) of any type which may be directly or indirectly connected to, caused by or resulting from any order that may be issued to control or repress the aforementioned events or that may be in any way related to them. It’s the Insured onus of proof to demonstrate that a loss is not originated from any of the above-listed events. If a portion of this clause will be deemed as null or illegal, the remaining portion will remain valid and effective.

- 3.14 presented in the name of and behalf of, or own initiative of
- (i) the Society, reserved what provided by art. 2393 of Civil Code;
  - (ii) other Directors or Society representatives; this exclusion is not applicable in relation to settlement request promoted in the name of and on behalf of employee of Society for the matter relatives of job litigations (excepting if the employee were Directors or Representative of other societies)
- 3.15 arising from administrative and accounting liability caused by Directors or any other Representative of Society in pursuance of them institutional functions directly connected to their office, to public investor or the public administration (as provided by art. 3 com 59 of Law n. 244 of 24/12/2007)

## 4 EXTENSIONS

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All definitions, conditions, limitations and exclusions of this policy shall apply to the following extensions:

### 4.1 Representation at Investigations and Examinations

This policy shall also provide cover for any reasonable legal fees and expenses incurred with the prior written consent of the insurer, resulting from any legally required attendance by any **director, trustee, officer** or employee of the company at any official investigation, examination, enquiry or other similar proceeding in respect of the company.

If the **director, trustee, officer** or employee of the company believes that, as a result of any official investigation, examination, enquiry or other similar proceeding, circumstances exist that may reasonably give rise to a claim, notice must be given to the insurer of the circumstances and the reasons for anticipating a claim.

Notwithstanding the foregoing, the cover provided by virtue of this Extension 4.1 shall not include fees, costs or expenses attributable to any official investigation, examination, enquiry or other similar proceeding arising from an event that affects the industry in which the policyholder conducts its business activities, as opposed to affecting primarily the policyholder itself.

If the director, officer or employee of the company believes that as a result of any such official investigation, examination, enquiry or other similar proceeding, circumstances exist which may reasonably be expected to give rise to a claim, notice must be given in writing to the insurer of the circumstances and the reasons for anticipating a claim, with full particulars as to dates and persons involved in accordance with General Provision 5.6.

It is further agreed that the total aggregate limit of liability for fees, costs and expenses that the insurer shall be liable to pay pursuant to the cover provided by this extension is specifically sub-limited to 50% of the limit mentioned in Item 3 of the Schedule with a maximum of Euro 1.000.000 (the "Sub-Limit Of Liability"). This sub-limit is part of and not in addition to the total aggregate limit of liability specified in Item 3 of the Schedule and will in no way serve to increase the insurer's limit of liability as specified therein.

It is also agreed that this extension shall not apply to the United States of America.

### 4.2 New Subsidiaries

Cover under this policy is extended to any subsidiary that the policyholder first acquires or creates after the inception date of this policy, unless such subsidiary:

- (i) is incorporated in the United States of America, or in any state, territory or possession thereof;
- (ii) has any of its securities listed on any securities exchange or market
- (iii) belongs to the financial institution industry.
- (iv) has a negative net worth or is under liquidation.

If a newly acquired or created subsidiary fails to meet any condition(s) of 4.2 above, such entity will be covered as a "subsidiary" under this policy, but only for a period of thirty (30) days from the date on which the policyholder acquired or created such subsidiary or until the end of the policy period (whichever occurs first), provided that the policyholder pays any additional premium required by the insurer. The insurer may extend coverage to the insureds of such subsidiary beyond the thirty (30) day period, if during the thirty (30) day period the policyholder requests a cover extension for such subsidiary in writing to the insurer and gives the insurer sufficient details to permit the insurer to assess and evaluate its potential increase in exposure and the policyholder agrees to any additional premium and any amendments to the policy required by the insurer relating to such new subsidiary.

Coverage as afforded to the insureds of any subsidiary is conditioned upon the policyholder paying when due any additional premium required by the insurer relating to such subsidiary. Unless otherwise agreed in writing and attached as an endorsement to this policy, cover for any claim made against an insured of any subsidiary shall only apply for any wrongful act(s) committed while such entity is a subsidiary of the policyholder. Upon written request, however, the insurer may decide, after assessment and evaluation of the increased exposure and receipt of the additional premium to be determined by the insurer, to extend cover under this policy, by written endorsement, for any wrongful act(s) committed prior to the acquisition of the subsidiary by the policyholder.

### 4.3 Discovery Period

If, at the expiry of this policy, the insurer cancels or refuses to renew the policy or the policyholder refuses to renew the policy with Insurer and does not bind a similar coverage with another insurer, the Insurer might quote a discovery period, upon payment of an additional premium, not less than:

- (i) 12 months upon payment of 30% per cent of the full annual premium; or
- (ii) 24 months upon payment of 60% per cent of the full annual premium; or
- (iii) 36 months upon payment of 90% per cent of the full annual premium.
- (iv) 48 months upon payment of 100% per cent of the full annual premium; or
- (v) 60 months upon payment of 125% per cent of the full annual premium.

In order to purchase the discovery period, the policyholder shall request its purchase in writing within 15 days of the policy expiry date and shall pay any additional premium within 30 days of the expiry date. The additional premium is not refundable and the discovery period is not cancellable.

If a **transaction** takes place, the policyholder will not have the right to "purchase" a discovery period as set out above. However, the policyholder will have the right, within 30 days of the end of the policy period, to request an offer from the insurer of a discovery period for up to 72 months. The insurer will offer a discovery period with terms, conditions and premium as the insurer may reasonably decide.

#### 4.4 Heirs, Estates and Legal Representatives

If an insured dies, becomes incompetent, insolvent or is declared bankrupt, this policy shall also cover loss resulting from any claim made against the estate, heirs or legal representatives of the insured in relation to any wrongful act of such insured.

#### 4.5 Joint Property Liability

The insurer shall pay for loss arising from a claim first made against the lawful spouse of an insured during the policy period and notified to the insurer during the policy period, providing that such claim:

- (i) results solely from his or her status as the lawful spouse of the insured; and
- (ii) would be covered under this policy if made against such insured; and
- (iii) seeks damages recoverable from marital community property, or from property jointly held by the insured and the lawful spouse, or from property transferred from the insured to the lawful spouse.

#### 4.6 Retired Directors

If the policyholder does not renew and replace this policy with any other policy issued by the insurer or any other insurer affording similar insurance cover and a discovery period is not requested under Extension 4.3, a discovery period of 60 months following the date of such nonrenewal will be provided under this policy. During this period, notice may be given to the insurer of any claim first made against any director who terminated his employment by reason of retirement or expiration of his/her term of office before the date of the non-renewal of this policy, and notified in writing to the insurer during the policy period, but only for wrongful acts committed by such insured before the date of the non-renewal and otherwise covered under the terms and conditions of this policy. All loss in the aggregate for all claims against such insureds under this extension is subject to any sub-limit specified in Item 3(ii) of the Schedule. This extension is not available in the event of a transaction.

#### 4.7 Request for Compensation regarding employer's PI

This policy is extended to the payment of insured's Financial Losses, if the related warranty is activated and the consequent premium is paid, arising from any request for compensation concerning dependent employment relationships (with the Company), claimed against the Insured for the first time during the period of insurance in the case of Unlawful Acts committed by the insured, in accordance with terms, conditions and exclusions of the policy.

Only for the purpose of this extension, the definition of Insured is extended to all the employees and the consultants of the Company, as foreseen by definitions provided in paragraph from 2.19 to 2.22.

The beginning and the end of the warranty, as well as the retroactivity and the territorial extension will be equal to the basic warranty.

This extension is provided throughout the whole Europe. The compensation limit is equal to 20% of the sum insured to the Entry "Financial Losses" with a limit, in any case, of € 100.000 and an excess for each claim of € 1,500.

#### 4.8 Legal Expenses regarding employer's PI (extension of art. 5.6)

In case of a claim the policy holder / Insured must give written notification to Insurers or to the Broker to whom the policy is assigned in accordance with the terms and conditions provided under the Art. 11 of the General Conditions of Insurance. The non-fulfilment of this obligation may imply the partial (in case of negligent non-fulfilment) or total (in case of voluntary non-fulfilment) loss to the right of indemnity (as per Art. 1915 C.C.).

The Policy holder / Insured must provide to Insurers as soon as possible all information and documentation relating to the claim and Insurers have the right to request to be fully informed in respect of all investigations, defences or agreements relating to any claim and additionally have the right to receive copies of all the relevant documentation.

Neither the policy holder or Insured shall admit liability and / or settle or agree to settle any notified loss without the prior written consent of the Insurers. Insurers may not be unreasonably withhold such consent.

At any given moment and until they may have an interest to do so, Insurers have the faculty to assume the management of any civil controversy in the name of the Insured both judicially and extra-judicially, eventually advising the Insured of this decision exclusively in writing. If Insurers will do so, once the deductible is subtracted, they will assume the legal assistance and defence costs in addition to the policy limit up to an amount not superior to a quarter of the policy limit (as per Art. 1917 of the C.C.)

Insurers may not settle a claim by effecting payment to third parties without the Insured's prior consent. However, if Insurers decide not to defend the Insured from a claim and in presence of a reasonable negotiated settlement offer received from or accepted by the claimants, they will have the faculty to send a written recommendation to the Insureds suggesting that they accept such reasonable settlement offer. If the Insureds do not accept the above-mentioned written recommendation and opt for the continuation of the dispute any additional loss to the one that would have been incurred had the matter been defined in the manner suggested by Insurers will be borne by the Insureds.

For more clarification are included also the expenses relatives to ADR system as provided by dlgs n. 5 of 2003, with the limits provided by art. 1917 of Civil Code.

## 5 GENERAL PROVISIONS

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### 5.1 Representations Contained in the Proposal

In granting cover to any one insured, the insurer has relied upon the proposal form and all particulars contained therein, together with attachments, the company's financial information and other information supplied or requested (if this policy is a renewal of a previous policy issued by the insurer, then the insurer will also rely on the information supplied for the previous policy). These documents, statements, particulars, attachments and information are the basis of cover and shall be considered constituting part of this policy.

With respect to statements and particulars contained in the proposal, no statements made or knowledge possessed by any insured shall be imputed to any other insured to determine whether cover is available for any claim made against such other insured.

### 5.2 Aggravation and Lessening of the Risk.

In the presence of facts or circumstances aggravating the risk, the policy holder and / or the Insured must advise Insurers within seven days of their discovery and the provision contained in Art. 1898 C.C. applies. If the Insured notifies Insurers of facts and circumstances which lessen the risk, then Art. 1897 C.C. applies and in this case Insurers waive their right to cancel the policy as per such provision.

### 5.3 Modifications to the Insurance – Communications between the Parties

Any modification of this Insurance must be in writing and must be signed by the Policy Holder and by Insurers. All communications relating to this Insurance must be in writing.

### 5.4 Limits of Liability

The limit of liability specified in Item 3 of the Schedule is the maximum indemnity payable for all loss arising out of all claims made against all the insureds under all insurance covers provided by this policy. The limit of liability for the discovery period will be part of and not in addition to the total limit for the policy period. Defence costs shall not exceed 25 per cent of the limit specified in the policy and shall be in excess of the limit specified in Item 3 of the Schedule.

### 5.5 Deductible

The insurer shall only be liable for loss which is in excess of the retention specified in Item 4 of the Schedule. Such amount shall be borne by the company and/or the insureds and shall remain uninsured with regard to all loss under covers A) and B) whenever indemnification by the company is required or permitted or not prohibited under the law.

A single amount of retention shall apply to loss resulting from all claims relating to a single wrongful act or to related wrongful acts.

### 5.6 Rights and Obligations in Case of Loss – Disputes and Legal Expenses

In case of a claim the policy holder / Insured must give written notification to Insurers or to the Broker to whom the policy is assigned in accordance with the terms and conditions provided under the Art. 11 of the General Conditions of Insurance. The non-fulfilment of this obligation may imply the partial (in case of negligent non-fulfilment) or total (in case of voluntary non-fulfilment) loss to the right of indemnity (as per Art. 1915 C.C.).

The Policy holder / Insured must provide to Insurers as soon as possible all information and documentation relating to the claim and Insurers have the right to request to be fully informed in respect of all investigations, defences or agreements relating to any

claim and additionally have the right to receive copies of all the relevant documentation.

Neither the policy holder or Insured shall admit liability and / or settle or agree to settle any notified loss (as per art. 11) without the prior written consent of the Insurers. Insurers may not be unreasonably withhold such consent.

At any given moment and until they may have an interest to do so, Insurers have the faculty to assume the management of any civil controversy in the name of the Insured both judicially and extra-judicially, eventually advising the Insured of this decision exclusively in writing. If Insurers will do so, once the deductible is subtracted, they will assume the legal assistance and defence costs in addition to the policy limit up to an amount not superior to a quarter of the policy limit (as per Art. 1917 of the C.C.)

Insurers may not settle a claim by effecting payment to third parties without the Insured's prior consent. However, if Insurers decide not to defend the Insured from a claim and in presence of a reasonable negotiated settlement offer received from or accepted by the claimants, they will have the faculty to send a written recommendation to the Insureds suggesting that they accept such reasonable settlement offer. If the Insureds do not accept the above-mentioned written recommendation and opt for the continuation of the dispute any additional loss to the one that would have been incurred had the matter been defined in the manner suggested by Insurers will be borne by the Insureds.

### 5.7 Subrogation

In the event of any payment made under any provision of this policy, the insurer shall be subrogated to the extent of such payment to all the insureds rights of recovery. Moreover the insured shall execute all papers required and shall do everything that is necessary to secure and preserve such rights, including the execution of any documents necessary to enable the insurer to effectively bring suit in the name of the insured.

### 5.8 Other Insurances

Unless this are not in contrast with law, all the insurance provided by this policy will be applied only as excess in respect to any other insurance.

### 5.9 Interpretation of the Contract, Applicable Law and Jurisdiction

Italian law only is applicable in respect of the interpretation of this Policy and of anything that has not been expressly regulated herein or in written additions and modifications underwritten as per General Condition of Insurance. The applicable jurisdiction is exclusively Italian.

### 5.10 JHA Overseas Complaints Procedure Clause (Italy)

We are dedicated to providing you with a high quality service and we want to ensure that we maintain this at all times. If you feel that we have not offered you a first class service please follow the procedures below, and we will do our best to resolve the problem.

Questions or Concerns:

If you have any questions or concerns about your policy or the handling of a claim you should, in the first instance, contact Anglo Lombarda Insurance Broker Srl.

Problems:

If you have a problem concerning any aspect of your Insurance please contact Anglo Lombarda Insurance Broker Srl.

Complaints:

Any complaints regarding contractual relations or the handling of claims should be forwarded in writing to the General Representative of Lloyd's, at the following address:

Rappresentante Generale per l'Italia dei Lloyd's di Londra – Via Sigieri, 14 – 20135 Milano – Italia

Telephone 02 55 193121 – Facsimile 02 55 193107 – email: [servizioclienti@lloyds.it](mailto:servizioclienti@lloyds.it)

If you are not satisfied by the outcome of the complaint, or in the event of there being no acknowledgment within the maximum period allowed of forty-five days, you might appeal to IVASS at the following address:

IVASS – User Protection Department – Via del Quirinale, 21 – 00187 Roma – Italia

When writing to ISVAP, please enclose all documentation relating to the complaint made to Lloyd's.

Disputes concerning the amount of a loss settlement and the attribution of liability remain exclusively under the competence of the judicial authorities, in addition to any conciliatory systems, which may exist.

Complaints that cannot be resolved by the above process may under certain circumstances be referred to the UK Financial Ombudsman Service. Further details will be provided at the appropriate stage of the complaints process

### 5.11 Broker Clause

This Policy is assigned to the Lloyd's Correspondent whose name and details are indicated in the Schedule. It is therefore agreed that:

- a. Every communication by the Policy Holder / Insured to the Correspondent will be considered as made directly to Insurers;
- b. Every communication by the Correspondent to Insures on the Policy Holder / Insured's behalf will be considered as directly made by the Policy Holder / Insured;
- c. Every communication by Insurers to the Correspondent will be considered as directly made to the Policy Holder / Insured.

The Correspondent is under obligation to submit to the Policy Holder / Insured any communication received on their behalf from Insurers.  
Insurers agree that premium be paid to the Correspondent and recognise such payment as effective for all contractual purposes provided that it is made in the terms agreed (Article No. 1901 CC).

  
**THE LLOYD'S COVERHOLDER**  
Anglo Lombarda srl  
Insurance Brokers

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**THE POLICYHOLDER / INSURED**

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The undersigned declares to have read and agreed to the Conditions of Insurance, notably the provisions of the following clauses:

3. - EXCLUSIONS

4.3 - DISCOVERY PERIOD

5.1 - REPRESENTATIONS CONTAINED IN THE PROPOSAL

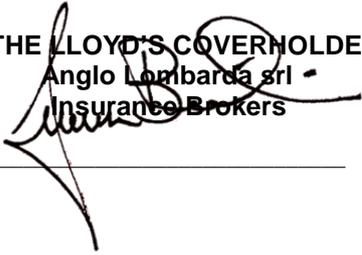
5.2 - LESSENING AND AGGRAVATION OF RISK

5.6 - HOW TO GIVE NOTICE AND REPORT A CLAIM

5.9 - JURISDICTION

5.11 - ASSIGNMENT

and the following attachments:

  
**THE LLOYD'S COVERHOLDER**  
Anglo Lombarda srl  
Insurance Brokers

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**THE POLICYHOLDER / INSURED**

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