

Chapter 1 Definitions

Article 1.1 Definitions

1.1.1 Insurer

Nationale-Nederlanden General Insurance Company N.V. at The Hague

1.1.2 Insurant

The party with whom the insurance is contracted and as such is mentioned in the policy and/or the administration of the insurer.

1.1.3 Insured

The insured are the persons defined hereinafter:

- a. insurant
- b. the person who in case of damage incurred is entitled to indemnification or by virtue of acceptance of an assignment can be entitled to indemnification

1.1.4 Sum Insured

The sum insured is the maximum amount each and every accident for which the insurer can be held liable. If loss of or damage to the subject-matter insured is due to successive events covered by the policy the insurer indemnifies for such loss or damage up to the sum insured for each and every event notwithstanding the total amount of loss or damage exceeding the sum insured.

1.1.5 Occurrence

A fortuitous event or succession of related events as a consequence of which an obligation for compensation by the insurer might arise. All events as part of a succession are deemed to have occurred on the moment of occurrence of the first event.

1.1.6 Fortuitous event

An event that is a fortuity for both parties to the insurance agreement at the time of reaching the agreement.

1.1.7 Clearing charges

Charges incurred by the insured in the process of transferring, reloading and clearing away of the subject-matter insured on or from the location as a result of a peril insured against.

1.1.8 Salvage

Reasonable measures taken by or on behalf of the insured to avoid or reduce imminent damage due to a peril insured against.

1.1.9 Salvage expenses

Reasonable expenses as a result of measures taken to avoid or reduce imminent damage due to a peril insured against, as well as indemnification of damage to matters having been deployed therefore.

Chapter 2 Definition of cover

Article 2.1 Insurable interest

The interest the insured have in the matters and expenses set forth in the policy.

Article 2.2 Risks covered

The insurance covers the financial loss set forth in the cover and/or rubric declared applicable.

Article 2.3 Terrorism

This insurance is subject to the contents of Chapter Terrorism.

Article 2.4 Limitation of duty to indemnify

The duty of the insurer to indemnify is limited in case of loss in connection to the risk of terrorism mentioned in Clause terrorism cover set forth in Chapter Terrorism.

Article 2.5

2.5.1 Additional expenses

The insurer indemnifies the insured even if exceeding the sum insured hereunder and free from any deductible for

- a. salvage charges to a maximum of the sum insured
- b. costs of salvage, removal of debris and destruction consequential to a peril insured against up to a maximum amount of €10,000.00.

Indemnification for destruction costs is subject to prior approval from the insurer.

Chapter 3 Exclusions.

Article 3.1 General Exclusions.

Unless stipulated to the contrary in any cover and/or rubric the insurance provides no cover for loss, physical damage or expense

3.1.1. attributable to wilful misconduct and/or negligence of the insured.

3.1.2. caused by, arising from or consequential to war as set forth in chapter "Detailed Wording".

3.1.3. caused by nuclear reactions as set forth in chapter "Detailed Wording".

3.1.4. in case the insured has failed to take precautionary measures as set forth in chapter "Definitions" whereby the interests of the insurer have been prejudiced

3.1.5. in case the insured has failed to fulfil his duty as set forth in Chapter Claims with the aim to deceive the insurer.

3.1.6. caused by, arising from or consequential to a chemical, biological, bio-chemical or electro-magnetic weapon.

Chapter 4 Claims

Article 4.1 Duties in case of loss.

4.1.1 Duty to notify.

The insured is obliged to truly notify the insurer as soon as possible of an event that might lead to an obligation for the insurer to indemnify.

4.1.2. Duty to inform.

The insured is obliged to truly provide the insurer with information and documents in order for the insurer to evaluate his duty to indemnify.

4.1.3. Duty to cooperate.

The insured is obliged to render full cooperation and to refrain from all that could prejudice insurer's interests.

Article 4.2 Sanctions to non-fulfilment of duties in case of loss.

4.2.1 Prejudice of interests.

No rights can be derived from the policy in case of non-fulfilment by the insured of duties as a result of which insurer's interests have been prejudiced.

4.2.2. Wilful deceit.

The right to indemnification is cancelled in case of non-fulfilment by the insured of duties with the aim to deceive the insurer unless the deception does not justify the cancellation.

Article 4.3 Other insurance/provision/arrangement

This insurance provides no cover inasmuch as an insured can derive rights related to what is insured hereunder, should this insurance not exist, from another insurance or provision, whether or not from older date, or on the basis of any statutory or other regulation.

Article 4.4 Transfer of rights.

Upon indemnification by the insurer the insured, if requested, is obliged to transfer to the insurer all rights and remedies against third parties.

Article 4.5 Limitation of action

A legal action brought against the insurer and related to a payment expires after three years following commencement of the day following that on which the beneficiary was made known the payment was on call. The limitation of action is interrupted by means of a written statement claiming for the remittance.

A new period of limitation commences on the day following that on which the insurer either assumes liability or by means of registered writing and with reference to the consequences aforesaid, unequivocally repudiates liability.

Article 4.6 Recovery against third parties.

4.6.1 Should it for reasons of recovery be found necessary the insurer is entitled to postpone settlement of the claim until settlement of the recovery providing that if the insured so desires the insurer shall issue a loan to an amount that would suffice for indemnification; in case the insurer calls in the loan the insured is allowed to compensate with his claim on the policy.

In case the insured has received an interest-free loan as mentioned above his claim on the insurer is no longer admissible for assignment, replacement or transfer of whatever nature.

4.6.2 The insurer has the right

a to either take all measures on account of the insured deemed necessary for the purpose of commencing recovery against third parties

b or to demand that all rights of the insured against third parties are transferred to the insurer or his appointed trustee in order for them to commence recovery in their own name.

In both cases all charges related to the recovery are for account of the insurer.

4.6.3 Even prior to indemnification by the insurer it is the duty of the insured to ensure that all rights deemed necessary for the purpose of recovery against third parties and the preparation thereto, are properly transferred.

Chapter 5 Premium.**Article 5.1 Payment of the premium**

The insurant must pay the premium, expenses and insurance tax in advance within 30 days of becoming due.

This insurance is not valid for occurrences taking place:

a. after the expiration date in case the aforementioned period of 30 days is expired without the premium, expenses and insurance tax having being paid.

b. in case of refusal of insurant to pay the premium, expenses and insurance tax.

An additional notice by the insurer is not required. The insurant remains under the obligation to pay the premium, expenses and insurance tax.

The insurance is reinstated for occurrences taking place after the day on which the premium, expenses and insurance tax are received by the insurer. In case payment of the premium by instalments has been agreed with the insurer, the insurance is reinstated for occurrences taking place after the day on which all unpaid premiums, including expenses and insurance tax, covering terms due are received by the insurer.

Article 5.2 Return of premium

In case of premature termination of the insurance the insurant is entitled to a fair and reasonable refund of premium and insurance tax, under subtraction of administrative charges.

This clause does not apply in case of termination of the insurance due to wilful deceit of the insurer.

Article 5.3 Declaration

This article is only applicable if referred to in the policy.

5.3.1 Prior to taking place of an event arranged by or on behalf of him insurant is obliged to provide the insurer with a statement declaring:

- the name, nature and location of the event
- the period during which the event is to take place
- a specification of the expenses insured.

5.3.2. Insurant is held to provide the insurer on his request with a statement of an independent authority verifying the accuracy of the statement as referred to in article 5.3.1

5.3.3. The minimum premium amounts to €125,00 per annum.

Article 5.4 Subsequent calculation of premium

This article is only applicable if referred to in the policy.

5.4.1 The insurant is held to annually provide the insurer with a statement declaring:

- The number of events organised;
- A specification of expenses insured.

5.4.2 The insurant is held to provide the insurer on his request with a statement of an independent authority verifying the declaration mentioned under 5.4.1.

5.4.3 The policy states the advance premium. The final premium is calculated on the basis of the value mentioned under 5.4.1.

5.4.4 The minimum premium amounts to 50% of the advance premium with a minimum of €125.00.

5.4.5 In case the final premium exceeds the advance premium the insurant is held to additional payment; in case the final premium is less than the advance premium the insurer is held to refund the difference up to the amount of the minimum premium.

5.4.6 The final premium in any one year serves as advance premium of the following year.

5.4.7 In case the insurant does not fulfil his duty as mentioned under 5.4.1 the insurer is entitled to set the premium on at least 125% of the advance premium for that year. In case the insured provides the insurer with the requested information within one year after issue of this appendix to the policy the final premium will be rectified. In order to effect the rectification administrative charges are presented. Statements with information received after the elapse of one year are not being processed.

Chapter 6 Revision of tariff and/or conditions

Article 6.1 Revision

- a. In case the insurer revises his tariff and/or conditions for insurance of this kind, he has the right to adjust this insurance to the new tariff and/or conditions.

The insurer announces this revision in advance.

- b. The effects of indexation are not considered as revision of tariffs and/or conditions.

Article 6.2 Right of cancellation

- a. In case the revision leads to an increase of premium and/or limitation of cover, the insurant has the right to terminate the insurance in writing within one month following the announcement of the revision by the insurer.

This does not apply to a revision consequential to a statutory regulation.

- b. In case the insurant does not use this right of termination the insurance terminates on the announced day of revision but no sooner than 30 days after the date of announcement of revision by the insurer.

Article 6.3 Continuation of the insurance

In case the insurant has not used his right as mentioned in the preceding article he is considered to agree with the revision. In that case the insurance is continued under application of the new tariffs and/or conditions.

Chapter 7 Alteration of risk

Article 7.1 Specific alterations

Insurant is held to immediately notify the insurer about all alterations of matters set forth in the specification, of the use of it, as well as, in case cover only applies to named addresses, each change of address.

In case the risk for the insurer changes due to one of more alterations premium and/or conditions can be adjusted as from the date of the alteration.

In case the parties cannot reach an agreement about the continuation of the respective cover and/or rubric, same cover and/or rubric terminates after one month following confirmation thereof by the insurer.

Chapter 8 Termination of the insurance

Article 8.1 Cancellation by the insurant

The insurance terminates due to a written cancellation by the insurant as described hereinafter.

8.1.1 Nearing the end of the contractual term as mentioned in the policy subject to a two months notice.

8.1.2 In case the insurant rejects the revision of tariff and/or conditions as mentioned in chapter "Revision of Tariff and/or Conditions".

8.1.3 Within two months after the insurer having called on non-fulfilment by the insurant of his duty to inform prior to conclusion of the insurance. The insurance thus terminates on the date mentioned in the letter of termination. In case this letter of termination is undated, the insurance terminates on the date of the postmark.

Article 8.2 Termination by the insurer

The insurance terminates due to a written cancellation by the insurer as described hereinafter.

8.2.1 Nearing the end of the contractual term as mentioned in the policy subject to a two months notice.

8.2.2 Within two months after the insurer having called on non-fulfilment by the insurant of his duty to inform prior to conclusion of the insurance. The insurance thus terminates on the date mentioned in the letter of termination. In case this letter of termination is undated, the insurance terminates on the date of the postmark.

8.2.3 In case of wilful misrepresentation by the insured during notification of claim to or handling of the claim by the insurer.

Article 8.3 Annulment

The insurance terminates by means of an extrajudicial declaration of annulment based on a shortcoming in the compliance of duties out of the contract of insurance.

This only applies in case the shortcoming justifies the annulment.

The following grounds are considered justified for annulment of the insurance by the insurer.

- a. Established wilful misrepresentation by or on behalf of the insurant or insured.
- b. Non-payment of the first premium or payment thereof in arrears
- c. Non-payment of the supplementary premium or payment thereof in arrears despite a reminder by the insurer following elapse of the expiry date

Chapter 9 Additional provisions

Article 9.1 Personal details

9.1.1 Processing personal details at application/alteration

At application of the insurance and on alteration thereof personal details are requested. These are processed by the insurer for the benefit of entering into and execution of agreements and marketing activities, in course of

preventing and fighting fraud against financial institutions, for statistical analysis and in order to comply with legal obligations.

9.1.2 Processing personal details at notification of loss

At a notification of loss personal details are requested. These are processed by the insurer for the purpose of executing the insurance agreement.

9.1.3 Supply of personal details to third parties

Personal details applied for at application of the insurance, on alteration thereof and at notification of loss can be supplied to third parties associated with the implementation of the insurance agreements, such as aids, surveyors and renovators

Article 9.2 Jurisdiction

This insurance is subject to Dutch Law and practise.

Article 9.3 Complaints

Complaints related to this insurance can be submitted in writing to the insurer's Board of Directors.

In case the insurer's written reply does not lead to a satisfactory solution the complaint can be submitted to the "Stichting Klachteninstituut Verzekeringen" (Foundation for Insurance-related Complaints), PO Box 93560, 2509 AN Den Haag, The Netherlands.

Article 9.4 Disputes

Any dispute arising from this agreement is in first instance subject to judgement of the competent Court in Rotterdam.

Chapter 10 Terrorism

Article 10.1 Clause Terrorism Cover by the Dutch Terrorism Risk Reinsurance Company (NHT)

10.1.1 Definitions

Where they appear in this clauses sheet and the provisions based thereupon, the following terms shall, unless otherwise stipulated, be understood to mean:

10.1.1.1 Terrorism

Any violent act and/or conduct – committed outside the scope of one of the six forms of acts of war as referred to in Article 64 (2) of the Insurance Industry Supervision Act 1993 [*Wet toezicht verzekeringsbedrijf 1993*] - in the form of an attack or a series of attacks connected together in time and intention as a result whereof injury and/or impairment of health, whether resulting in death or not, and/or loss of or damage to property arises or any economic interest is otherwise impaired, in which case it is likely that said attack or series – whether or not in any organisational context – has been planned and/or carried out with a view to effect certain political and/or religious and/or ideological purposes.

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10.1.1.2 Malevolent contamination

The spreading (whether active or not) – committed outside the scope of one of the six forms of acts of war as referred to in Article 64 (2) of the Insurance Industry Supervision Act 1993 - of germs of a disease and/or substances which as a result of their (in)direct physical, biological, radioactive or chemical effect may cause injury and/or impairment of health, whether resulting in death or not, to humans or animals and/or may cause loss of or damage to property or may otherwise impair economic interests, in which case it is likely that the spreading (whether active or not) – whether or not in any organisational context – has been planned and/or carried out with a view to effect certain political and/or religious and/or ideological purposes.

10.1.1.3 Precautionary measures

Any precautionary measures taken by the authorities and/or insured parties and/or third parties in order to avert the imminent risk of terrorism and/or malevolent contamination or – if such peril has manifested itself – to minimise the consequences thereof.

10.1.1.4 Dutch Terrorism Risk Reinsurance Company [*Nederlandse Herverzekeringmaatschappij voor Terrorismeschaden N.V.*] (NHT)

A reinsurance company incorporated by the Association of Insurers in the Netherlands, to which any liability to pay compensation under any insurance contract which may arise from the manifestation of the risks referred to in Articles 1 (1), 1 (2), and 1 (3), may be ceded.

10.1.1.5 Insurance contracts

- a) Non-life insurance contracts insofar as they pertain to risks situated in the Netherlands in accordance with the provisions of Article 1 (1) (p) of the Insurance Industry Supervision Act 1993.
- b) Life insurance contracts insofar as they are entered into with a policyholder whose regular residence is in the Netherlands, or, if the policyholder is a legal entity, with the establishment of the legal entity to which the insurance contract pertains, whose registered office is in the Netherlands.
- c) Funeral in kind insurance contracts insofar as they are entered into with a policyholder whose regular residence is in the Netherlands, or, if the policyholder is a legal entity, with the establishment of the legal entity to which the insurance contract pertains, whose registered office is in the Netherlands.

10.1.1.6 Insurers authorised in the Netherlands

- a. Non-life, life, and health care insurers as referred to in Article 12 of the Insurance Industry Supervision Act 1993, and
- b. Funeral in kind insurers as referred to in Article 7 of the Funeral In Kind Insurance Industry Supervision Act [*Wet toezicht natura-uitvaartverzekeringsbedrijf*], who are authorised to carry on the insurance business in the Netherlands.

10.1.2 Limitation of the cover for the terrorism risk

- a. If and insofar as, subject to the descriptions contained in articles 1 (1), 1 (2), and 1 (3), and within the limits of the applicable policy conditions, cover is provided for the consequences of an event which is (directly or indirectly) related to:

- Terrorism, malevolent contamination or precautionary measures,
- Any act or conduct in preparation for terrorism, malevolent contamination or precautionary measures,

hereinafter to be collectively referred to as ‘the terrorism risk’, the liability to pay compensation on the part of the insurers in respect of any submitted claim to indemnity and/or benefit, shall be limited to the amount of the payment which the insurer receives in respect of said claim under the reinsurance of the terrorism risk with the NHT, in the event of an insurance with wealth creation increased by the amount of the wealth creation which has been realised under the insurance in question. With regard to life insurances the amount of the realised wealth creation shall be set at the premium reserve to be adhered to pursuant to the Insurance Industry Supervision Act 1993 with respect to the insurance in question.

- b. The NHT shall provide reinsurance cover for the aforementioned claims up to a limit of liability of EUR 1 billion in respect of any one calendar year. The aforementioned sum shall be eligible for annual adjustment and shall apply to all insurers associated with the NHT together. Any adjustment shall be announced in three national newspapers.

- c. Contrary to the provisions contained in the aforementioned paragraphs of this article, the limit of indemnity under this contract with respect to any insurance pertaining to:

- loss of or damage to immovable property and/or the contents thereof;
- consequential loss due to loss of or damage to immovable property and/or the contents thereof, shall not exceed EUR 75 million in respect of any one policyholder and any one insured location per annum for all participating insurers as referred to in article 1 together, irrespective of the number of policies issued.

For the application of this paragraph insured location shall be understood to mean: all objects insured by the policyholder existing at the address of premises to which the insurance applies, as well as all objects insured by the policyholder located outside the address of premises to which the insurance applies whose use and/or purpose is in relation to the business activities at the address of premises to which the insurance applies. As such shall in any case be considered all objects insured by the policyholder which are located at a distance of less than 50 metres from each other and of which at least one is situated at the address of premises to which the insurance applies.

For the application of this paragraph it shall be provided that, with regard to legal entities, companies and partnerships which are joined in a group, as referred to in Section 2 (24) (b) of the Netherlands Civil Code, all group companies together shall be regarded as one policyholder, irrespective of which group company(ies) belonging to the group has/have taken out the policy(ies).

10.1.3 Payment Protocol NHT

- a. The reinsurance of the insurer with the NHT shall be subject to the Claims Settlement Protocol (hereinafter to be referred to as the Protocol). On the basis of the provisions laid down in said protocol, the NHT shall be

entitled to defer any payment of indemnity or the sum insured until such time as the NHT is able to determine whether and to which extent it has at its disposal sufficient financial resources in order to settle in full all claims for which the NHT provides cover in its capacity as reinsurer. Insofar as the NHT is found not to have sufficient financial resources at its disposal, it shall be entitled in accordance with the provisions in question to pay a partial compensation to the insurer.

b. The NHT shall, with due regard for what has been stated in provision 7 of the Protocol, be authorised to decide whether an event in connection with which a claim to compensation is made should be considered as a consequence of the manifestation of the terrorism risk. Any decision taken to that effect and in accordance with the aforementioned provision by the NHT shall be binding upon the insurer, policyholder, insured parties, and the parties entitled to compensation.

c. Not until the NHT has notified the insurer of the amount, whether as an advance or not, which will be paid in respect of any one claim to compensation, shall the insured or the party entitled to the payment be entitled to lay claim to the payment as referred to in article 3 (1) in this respect towards the insurer.

d. The reinsurance cover by the NHT shall pursuant to provision 17 of the Claims Settlement Protocol only apply to claims for indemnity and/or benefit which are reported within two years after the NHT has established that a certain event of circumstance is regarded as a manifestation of the terrorism risk within the context of this Clauses Sheet.

The protocol including summary, has been deposited at the Chamber of Commerce Haaglanden at The Hague on 13th June 2003 under number 27178761, and at the District Court Amsterdam on 12th June 2003 under number 79/2003.

A summary of the Protocol is placed hereinafter.

Article 10.2 Summary protocol settling claims from NHT

10.2.1 General

The Dutch Terrorism Risk Reinsurance Company (hereinafter NHT) has a maximum sum per annum available for indemnification. This capacity, of which the volume may differ each year, has been set at 1 billion euros for 2003. The 'Protocol claims handling' (hereinafter the Protocol) from the NHT determines how the capacity for the consequences of terrorism is being divided amongst the victims. Rights can only be derived from the Protocol's full text.

10.2.2 Summary procedure.

A loss is understood to mean each and every 'materialization of the risk of terrorism' as a result of which a right for indemnification might arise. What terrorism is understood to mean can be read in the clause Terrorism. Loss due to terrorism includes material loss and damage to persons and objects as well as other right to indemnification, as for example following death.

On the subject of notification of loss due to terrorism the following procedure applies:

- the loss must be reported as soon as possible to one's own insurer.
- the insurer serves for submission of all claims to the NHT.

The NHT collects all claims and thereupon decides as soon as possible if there is a terrorist act as defined in the clause 'Terrorism'.

10.2.3 Terrorism of what year?

Because each year the NHT has a maximum amount available for indemnification of damage due to terrorism, it is important to determine in what year the terrorist act was committed.

In case it is determined in what year the terrorist act was committed it will be ascribed to that year.

There might be matter of a series of terrorist acts, however committed in different years. In that case the terrorist act will be ascribed to the year in which the first act as part of the series has been committed. A series of acts has come to an end upon elapse of six months in between two acts.

Assessment percentage of indemnification

At the NHT the sums of all reported and all expected claims are totalled.

On the basis hereof the NHT will draw up an estimate and announce whether or not the maximum sum available suffices for indemnification of all claims. It can be that the NHT expects the volume of the total number of claims to exceed the maximum amount available for indemnification. In that case the NHT will determine a preliminary percentage of indemnification. This percentage will be equal for all aggrieved parties. The NHT can also decide to immediately settle all claims.

NB: Settlement will be effected by your private insurer(s). The assured or aggrieved party has no direct access to the NHT.

10.2.4 Final settlement of claims

There are some deadlines that will be observed by the NHT:

- Following the decision that a harmful act committed was of a terrorist nature the NHT draws up a first estimate on the basis of which a first percentage for indemnification is determined.
- Thereafter a subsequent estimate containing a revised percentage is drawn up every six months.
- Not later than two years after the first estimate the NHT will determine the final percentage of indemnification. A new estimate may lead to a higher percentage. In that case an additional payment will be effected for all known claims. In case the new estimate leads to a lower percentage the payments already effected will not be reclaimed. The new percentage will only apply to claims reported after publication of the preceding percentage.

Chapter 11 Detailed Wording

Nuclear reactions

- a. Understood to be nuclear reactions howsoever caused.
- b. The exclusion for loss, damage or expenses caused by nuclear reactions does not apply to damage caused by radioactive nuclides that are outside a nuclear installation and that are being used or intended to be used for industrial, commercial, agricultural, medical, scientific, educational or (non-military) security and/or safety purposes, provided a valid licence (if required) issued by any public authority is maintained for production, use, storage and disposal of radioactive matter. A nuclear installation is meant to be an installation in accordance with the contents and intention of the Dutch "Wet Aansprakelijkheid Kernongevallen" (Nuclear Accidents Liability Code) as published in the Dutch "Staatscourant" 1979-225 (Gazette), including a nuclear installation on board a ship.
- c. Should in accordance with any law or any treaty a third party be liable for the damage, the stipulations set forth under b. are not applicable.

War risk

- a. **armed conflict:** each and every case in which states or other organised parties battle against each other with the use of military weapons. Including armed action by a United Nations Peace Corps.
- b. **civil war:** a more or less organised violent struggle between inhabitants of one state, in which an important part of the inhabitants of this state is involved.
- c. **uprising:** organised violent resistance within one state, aimed against public authority
- d. **domestic riots:** more or less organised violent actions at different places within one state
- e. **insurrection:** a more or less organised local violent movement aimed against public authority
- f. **mutiny:** a more or less organised violent movement of members of any armed force aimed against the authority under whose command they are placed

Note:

This additional description is part of the text filed by the Association of Insurers at the District Court of The Hague on 2nd November 1981.