

NONCOMMITTAL TRANSLATION

Note: Only the German original shall be legally binding

A) Conditions of the credit insurance policy with Euler Hermes Kreditversicherungs-AG

1. How is the premium calculated and on what basis?

Your annual premium is calculated at the beginning of the insurance year by multiplying your turnover subject to premium payment by the agreed premium rate and the currently valid loss factor (cf. No. 4). This is commercially rounded off to give full Euro amounts.

Your turnover subject to premium payment consists of your whole turnover in the last completed financial year less

- cash turnover,
- turnover which is not insured according to § 1 GCI,
- turnover with public buyers,
- turnover with private individuals,
- turnover with associated companies (as defined in § 2.1 GCI last Item).

The premium (net of insurance tax) per insurance year will be a minimum of 2,000 EUR ("minimum premium").

2. What information do you have to give us for calculating the premium and when, and what happens if you do not notify it to us on time?

At the beginning of each insurance year you declare your turnover subject to premium payment to us without undue delay according to No. 1 above.

If we do not receive this declaration on time we are entitled to calculate the premium on the basis of the turnover being the basis for premium calculation of the last insurance year plus a surcharge of 20%.

3. Is there a bonus?

From the second insurance year on you can qualify for a loyalty bonus in the shape of a premium refund on the annual premium paid for that year (net of insurance tax), provided that the loss ratio at the end of the insurance year concerned is 0 %. The bonus starts at loyalty level 1. The bonus is not payable for the final insurance year.

The loss ratio is the ratio between the claims indemnified in the insurance year just completed, less our share of any recoveries received in the same insurance year resulting from payments and proceeds which were not included in the loss calculation, and the premium paid (net of insurance tax) in that insurance year.

If the loss ratio in any one completed insurance year is 0 %, the bonus for the following year will be increased by one level. If the loss ratio is higher than 0 %, however, the bonus in the following year will be reduced by one level.

The amount of the bonus and the quantity of levels are given in the table "Loyalty Bonus".

The agreed minimum premium is unaffected by this.

4. Does the premium change depending on the loss ratio and the number of claims?

The loss factor in the 1st insurance year is 1.

Depending on the loss ratio (cf. No. 3) and the number of claims indemnified in any completed insurance year, the loss factor for the following year may change.

The change in the loss factor is given in the table "Changes in Loss Factor".

If the loss situation C, D, E or F applies in any completed insurance year, the loss factor for the following year increases by the percentage given in the table "Changes in Loss Factor".

If the loss situation A applies for an insurance year, the last increase in the loss factor made will be cancelled for the following insurance year.

Table - Loyalty Bonus
Premium refund per level

Level	1	2	3	4	5
Bonus	10 %	15 %	20 %	25 %	30 %

Table - Change in Loss Factor
Increase of loss factor (%)

Loss ratio from – to (%)	Number of claims			Loss situation
	0 – 1	2 – 5	> 5	
0 – 30	0	0	0	A
31 – 100	0	0	0	B
101 – 150	10	40	50	C
151 – 200	30	60	80	D
201 – 250	40	80	100	E
> 250	60	100	120	F

B) Conditions of the contract for credit assessment and monitoring as well as for grading services (BoniCheck) with Euler Hermes Forderungsmanagement GmbH

Credit rating fees

For buyers domiciled in Germany 35 EUR (plus VAT) per buyer and insurance year

For buyers domiciled outside Germany 50 EUR (plus VAT) per buyer and insurance year

In case BoniCheck is not agreed within the contract the above fees are reduced by 10 EUR per buyer.

C) Conditions of the contract for debt collection services with Euler Hermes Collections GmbH

The collection order is governed by the separate conditions sheet of Euler Hermes Collections GmbH, Collection Division (this is an integral part of the Collection Folder).