

## Compliance code

Our entrepreneurial activity follows the humanist principles of the "honourable merchant". He is a synonym for

- the comprehensive awareness of responsibility for one's own company,
- for long-term economic success,
- for the consideration of the interests of the company,
- for sustainable, environmentally-conscious business practices.

There is no generally binding definition of this concept. Every company is required to fill the concept for itself with content that is also actually complied with. Commercial judgment and the focus on ethical values must work together here.

It is neither realistically feasible nor desirable that every detail of economic activity is regulated by law. Compliance with unwritten rules of propriety and of behaviour towards one another is thus not only socially but also economically correct.

Today, in this age of digitisation and an increasingly globalised economy, more companies than ever are calling for *corporate social responsibility*: responsibility for themselves, for their employees and for the common good. As regards reliability, propriety and fairness, our specialists and executives therefore have a special function as role models. Responsible dealing and action across all divisions of the company is the basis for our long-term and sustainable business success.

We have implemented this guiding principle of "honourable (insurance) merchant" in this Compliance Code for our company. In addition to the obligations of the legal requirements applicable to us, we specify here certain behaviour in the form of internal policies that partially go beyond the legal requirements.

With the following compliance guidelines, we follow one of the basic legal provisions of entrepreneurship, Article 1 of the Statute of the Chamber of Industry and Commerce (IHK):  
“(1): *The Chambers of Industry and Commerce must [...] work for the protection of propriety and morality of the honourable merchant.*”

## 1. Consulting and documentation

As insurance brokers registered in the register of brokers, we act as fiduciary trustees on behalf of our clients. We represent their interests with respect to the insurance companies in obtaining suitable insurance cover. We select the insurance contract and the insurer according to objective criteria.

An essential component of our services for our clients here is the analysis of the specific insurance needs and the subsequent prioritisation of risk hedging, decided on together with our clients. We make use of the legally-prescribed option of brokering without consultation with the consent of our clients only in exceptional cases. In the case of private clients, documentation of the consultation is drawn up without exception. We present this to our clients.

In our activities for our clients, their interests are always in the foreground. Should we – for whatever reason – discover a conflict of our interests and those of the client, we point this out.

## 2. Support

Our services to the client do not end with the mediation of an insurance contract unless this is expressly so agreed in individual cases. Rather, we are available to the client as a contact partner and advisor for as long as the brokered insurance cover and the respective agency agreement exists. This applies in particular in the case of damages or a claim event.

## 3. Changes to cover

We understand changes to cover (Umdeckung) to be the termination of an insurance contract for a certain risk and the conclusion of a new insurance contract. Should a switch in cover for an already insured risk to another insurer be required in the context of our activities, we undertake this exclusively by fair means with respect to our competitors. In particular, we explain any disadvantages or risks of change to the level of cover to our clients. In this case, we undertake change to the cover only upon the express wishes of the client and document this.

## 4. Remuneration

Our services are generally free of charge for our clients since the remuneration of the insurance broker is generally borne by the insurance company according to German commercial practice.

In the case of property insurance, we are not paid a one-time closing commission but rather on-going remuneration in relation to the term of the respective contract.

Our independence and objectivity with regard to our clients is not impaired by the remuneration by the insurer. We refuse any performance by the insurers (cash payments or non-cash benefits) that may qualify for affecting our objectivity. If we should, in cases where this is permitted, invoice clients for services, this will be undertaken in a clear manner and will be agreed before performance of the services.

## **5. Professional development**

Our continuous professional development is an essential basis for our activities. For this reason, we undertake regular further training. We can demonstrate to our clients the professional training undertaken at any time. As further training, we participate in product-related events, which may also be offered by insurance companies, and in seminars on cross-disciplinary and fundamental topics.

## **6. Sub-broker usage**

If we employ independent sub-brokers to serve our clients, these are registered in the register of brokers as insurance brokers or have the appropriate specialist qualification. Moreover, the same standards apply to them that apply to us and are laid down in this Compliance Code.

## **7. Client fund security**

If we receive client funds from our clients or payments for damages from insurers to pass on to our clients, these are subject to special security.

## **8. Cooperation with broker pools**

When we work with broker pools and broker platforms, this does not impair our objectivity and the choice of insurance products for our clients. Additionally, the use of pools by us does not affect our independence.

## **9. Data protection**

Customer data protection has a high priority for us. The transfer of client data to third parties is therefore undertaken exclusively in the context of fulfilling our duties for our clients and/or with the consent of our clients.

## **10. Obligations under the Money Laundering Act (Geldwäschegesetz)**

We are aware of our independent obligations under the Money Laundering Act and can document the implementation of the legal requirements for the competent supervisory authorities.

## **11. No corruption and bribery**

We do not tolerate any form of corruption or bribery. Independent of this, situations may arise that could, while not constituting corruption or bribery, may allow our judgement to be compromised. Generally, we check in advance if the situation conforms to common business practices and that no violation of the applicable legal norms (e.g. Penal Code) exists.

## **12. Other regulations and ombudsmen/complaints**

We are aware of and comply with all other legal regulations that affect our business as an insurance broker. We refer our clients to the insurance ombudsmen and advise them on the options for complaint should there be dissatisfaction with our activities, not only in the context of initial information but also in specific, individual cases.

(The above guidelines are taken from Attorney at Law Hans-Ludger Sandkühler in cooperation with Attorney at Law Dr. jur. Andre Kempf, Böblingen/Stuttgart, published in the journal AssCompact 05/2013, page 88f. The text was slightly modified by us to fit with our company-specific situation).

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