

# FAQs - Guideline on gifts and hospitality

(as at 3 July 2017)

Group Compliance

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**1. In the current guideline, brokers are not specifically mentioned as “business partners”. Are they not considered to be business partners?**

- In the reinsurance field of business, brokers are business partners for the purposes of the guideline on gifts and hospitality.
- Any other classification of brokers for the primary insurance or MEAG fields of business must be specially considered and defined by the unit concerned taking account of local legal requirements.

**2. I receive an invitation whilst on a business trip to attend an event the purpose of which is primarily or purely entertainment. How should I react?**

- You should decide yourself whether to accept. If you do accept, you should obtain the required approval as soon as possible after the event.

**3. I receive an invitation whilst on a business trip to go out for a meal, and it is not clear whether the maximum cost of €250 per person laid down by Munich Re will be exceeded or not. How should I react?**

- You may accept the invitation and inform your superior of the invitation on your return.
- You must inform your superior if you regularly receive invitations going beyond normal business practice from the same business partner.

**4. Are employees of state-owned insurers “public officials” for the purposes of the guideline on gifts and hospitality?**

- Public officials have governmental or official functions.
- The German Insurance Association (GDV) is currently considering the classification of the state-owned insurers for the German market. Unless and until we receive any official advice to the contrary from the GDV, our position is that
  - employees of state-owned insurers that had, have or could potentially have a business relationship with Munich Re are for the purposes of the guideline considered to be representatives of a business partner, and not public officials.
- Group companies in the International Organisation (IO) should check local requirements to assess whether employees of state-owned insurers are to be treated as representatives of a business partner or public officials.

**5. How should invitations within the Group be handled?**

- A lunch or dinner invitation extended by a staff member on a trip to a guest, client or Group staff member is treated as entertainment.
- For Munich MR employees the following applies: The costs are reimbursed as entertainment expenses. If the staff member is making use of the daily subsistence allowance, the meal must be listed in his/her travel expenses claim under

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"Deductions for food and drink", and the daily allowance will automatically be reduced by 40% for each lunch or dinner (RGG 2.8.1.3).

- Hospitality extended between Munich MR employees does not count as entertainment (RGG 3.1.2 and 3.1.3; Blue Collection: Guidelines for travelling and entertainment expenses 3.4).
- Group companies in the IO are similarly subject to local rules for hospitality extended by staff members to other staff members of the same unit/at the same location.

## 6. What is a “business meal” for the purposes of the guideline on gifts and hospitality?

- A business meal is any hospitality involving the provision of a meal outside Munich Re's premises.

## 7. Can invitations to eat in MR canteens/dining rooms be extended to “other persons”<sup>1</sup> within the meaning of the guideline without approval from Compliance?

- At the Munich location, such invitations may be extended without GComp's prior approval provided that they comply with the HG/N6 entertainment rules.
- Group companies in the International Organisation (IO) should lay down requirements in accordance with local circumstances.

## 8. What should I do if I receive perishable items (e.g. food) with a value exceeding €40 as a gift from a business partner?

- After approval by GComp, a decision can be taken either to share the perishable gift among several staff members or to consume it together.
- The value per staff member receiving a share may not exceed €40.

## 9. What should be done if a gift from a business partner exceeding €40 in value is addressed to a department, a unit or “Munich Re”?

- The gift may be shared among several persons or consumed together without reference to GComp.

## 10. Can I use a table at the Oktoberfest originally reserved for a subsequently cancelled meeting with clients for a staff event, and what steps do I need to take?

- Contact the “Wiesnkoordinator” responsible for your unit (find via following link: [Koordinatorenliste Oktoberfest](#)).

## 11. Is there a standard text<sup>2</sup> for a “compliance disclaimer” that can be attached to invitations extended by MR?

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<sup>1</sup> “Other persons” for the purposes of the guideline include suppliers, external service providers and public officials.

<sup>2</sup> From AZ life insurance business.

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*Please note that it is not our intention for this invitation to have any influence on your future business decisions. We would therefore be obliged if you would check whether your acceptance of the invitation would be in conformity with your company's internal rules and requirements.*

*Should you not accept the invitation, our future relationship will not, of course, be affected in any way.*

### **12. Are there different rules for extending invitations that primarily constitute entertainment?**

- "Special events" such as
  - the Oktoberfest,
  - Isar raft trips,
  - major international sporting events (e.g. world or European championships, formula 1),
  - matches in German or international football competitions,are covered by the rules in Section 2.6.3 of the guideline on gifts and hospitality.
- Other invitations to events consisting purely or primarily of entertainment are covered by the rules in Section 2.6.1 or Section 2.6.2 of the guideline on gifts and hospitality.

Please contact GComp1.2 should you have any further questions:

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