

Siegfried Fraud Policy

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1. Background

The corporate fraud policy is established to facilitate the development of controls which will aid in the detection and prevention of fraud against Siegfried. It is in the interest of Siegfried to promote consistent organizational behavior by providing guidelines and assigning responsibility for the development of controls and conduct of investigations.

This policy is based on Siegfried's Code of Conduct.

2. Scope of Policy

This policy applies to any fraud, or suspected fraud, involving employees as well as shareholders, consultants, vendors, contractors, outside agencies doing business with employees of such agencies, and/or any other parties with a business relationship with Siegfried (also called the Company).

Any investigative activity required will be conducted without regard to the suspected wrongdoer's length of service, position/title, or relationship to the Company.

3. Definition of Fraud

Fraud is defined as the intentional, false representation or concealment of a material fact for the purpose of inducing another to act upon it to another persons/institutions injury.

4. Responsibilities and Reporting

The CEO has the primary responsibility for the investigation of all suspected fraudulent acts as defined in the policy. If there is evidence that fraudulent activities have occurred, the CEO informs the designated personnel, nominates an Investigation Committee and informs, if necessary, the Chairman of the Board.

The Head Human Resources (HR) is responsible for the detection and prevention of fraud, misappropriations, and other inappropriate conduct.

The Head Management Development is the first point of contact for any suspected fraud (see chapter 5) and other inappropriate conduct (see chapter 6), if necessary. The Head Management Development has to decide how to proceed and whom to involve next.

Any fraud that is detected or suspected must immediately be reported to the Head Division or Corporate Center and the Head HR. The Head HR coordinates all investigations with the ExeCom and other affected areas, both internal and external. The Head HR immediately informs the CEO of any fraud or suspected fraud.

The Investigation Committee is the group of people nominated by the CEO to investigate the detected or suspected fraud. The Investigation Committee reports their findings directly to the Head HR.

Each member of the Divisions and Corporate Center Management Teams will be familiar with the types of improprieties that might occur within their areas of responsibility, and be alert for any indication of irregularity.

Decisions to prosecute or refer the examination results to the appropriate law enforcement and/or regulatory agencies for independent investigation will be made by the CEO, after prior consultation with legal and/or senior management. Final decisions will be taken by the CEO.

5. Actions Constituting Fraud

The terms defalcation, misappropriation, and other fiscal wrongdoings refer to but are not limited to:

- Any dishonest or fraudulent act
- Forgery or alteration of any document or account belonging to the Company
- Misappropriation of funds securities, supplies, or other assets
- Impropriety in the handling or reporting of money or financial transactions
- Profiteering as a result of insider knowledge of company activities
- Disclosing confidential and proprietary information to outside parties
- Disclosing to other persons securities activities engaged in or contemplated by the company
- Accepting or seeking anything of material value from contractors, vendors or persons providing services/materials to the Company
- Destruction, removal or inappropriate use of records, furniture, fixtures, and equipment; and/or
- Any similar or related inappropriate conduct.

If any of the above mentioned behavior leads to a significant effect on the Company's business, immediate action has to be taken. The Head HR and the Division/Corporate Center Head decide together, whether a reported wrongdoing has a significant effect on the Company's business and has to be tracked, or not.

6. Other Inappropriate Conduct

Suspected improprieties concerning an employee's moral, ethical, or behavioral conduct should be resolved by departmental management and Human Resources.

If there is any question as to whether an action constitutes fraud, the Head Management Development should be contacted.

7. Confidentiality

All involved parties treat all information received confidentially. Any employee who suspects dishonest or fraudulent activity will notify the Head Management Development immediately, and should not attempt to personally conduct investigation or interviews/interrogations related to any suspected fraudulent act (see Reporting Procedure section below).

Investigation results will not be disclosed or discussed with anyone other than those who have a legitimate need to know. This is important in order to avoid damaging the reputations of persons suspected but subsequently found innocent of wrongful conduct and to protect the Company from potential civil liability.

8. Authorization for Investigating Suspected Fraud

Members of the Investigation Committee designated by the CEO will have:

- Free and unrestricted access to all Company records and premises, whether owned or rented; and
- The authority to examine, copy and/or remove all or any portion of the contents of files, desks cabinets, and other storage facilities on the premises without prior knowledge or consent of any individual who may use or have custody of any such items or facilities when it is within the scope of their investigation.

9. Reporting Procedures

Great care must be taken in the investigation of suspected improprieties or wrongdoings so as to avoid mistaken accusations or alerting suspected individuals that an investigation is under way.

An employee who discovers or suspects fraudulent activity will contact the Head Management Development immediately. The employee or other complainant may remain anonymous. All inquiries concerning the activity under investigation from the suspected individual, his or her attorney or representative, or any other inquirer should be directed to the Investigation Unit. No information concerning the status of an investigation will be given out. The proper response to

any inquiries is: "I am not at liberty to discuss this matter." Under no circumstances should any reference be made to " the allegation", "the crime", "the fraud", "the forgery", the misappropriation", or any other specific reference.

The reporting individual should be informed of the following:

- Do not contact the suspected individual in an effort to determine facts or demand restitution.
- Do not discuss the case, facts, suspicions, or allegations with anyone unless specifically asked to do so by the Investigation Unit.

10. Termination

If an investigation result is a recommendation from the Investigation Committee to terminate an individual, the recommendation will be reviewed for approval by the Head HR and the Legal Counsel before any such action is taken. The final decision will be taken by the CEO, after prior consultation with the Division/Corporate Center Head and the Head HR. In a case of "other inappropriate conduct (see chapter 6)" the decision to take the respective legal labor measure is made by the employee's management and HR.

11. Administration

The Head Human Resources is responsible for the administration, revision, interpretation, and application of this policy. The policy will be reviewed annually and revised as needed.

12. Disclaimer

Siegfried reserves the right to revise, change, amend, add to or eliminate any or all of the regulations, provisions, practices or conditions at any time and to ultimately terminate this practice without notice or obligation to anyone. All terms, rules, conditions and provisions of this practice are subject to final interpretation by the CEO of Siegfried.

Date

Dr. Rudolf Hanko, CEO