

General insurance terms for liability insurance against environmental damage

Article 1 Opening provisions

1. PREMIUM Insurance Company Limited, an insurance company with its registered office at 68 George Borg Olivier Street, STJ 1081, St. Julian's, Malta, acting in the territory of Slovak Republic through its organizational unit PREMIUM Insurance Company Limited, a branch of an insurance company from other member state, with its registered office at Námestie Mateja Korvína 1, 811 07 Bratislava – district Staré Mesto (hereinafter as the “insurer”) undertakes to provide compensation for damage in form of the payment subject to the conditions stated in the policy, the inseparable part of which are also these General insurance terms for general liability insurance against environmental damage (hereinafter as the “PREMIUM VPP EL”), however, provided that the insured shall be liable pursuant to the valid legal regulations.

Article 2 Subject and scope of the insurance

1. The insured is entitled that the insurer shall in lieu of the insured pay the “entitled person” the damages and any associated insured costs relating to the occurrence or imminent threat of “environmental damage” in connection with the “insurance activity” or the “product of the insured” to which this insurance applies.
2. The liability insurance against environmental damage shall cover:
 - a) “Preventive measures”,
 - b) “Mitigative measures”,
 - c) “Remedial measures”,
 - d) “Technical costs”,
 - e) “Damage to things”.
 - f) “Damage to health”,
 - g) “Costs of legal defence”.
3. The insurer shall under the terms of the insurance policy and these PREMIUM VPP EL provide the payment only for damage suffered as a result of a “damaging event”:
 - a) that occurred during the period of insurance and the “*first finding*” of which occurred during the period of insurance, whereas
 - b) for the damage to health and damage to things it shall apply that the “*claim*” must be vis-à-vis the insured raised for the first time during the period of insurance, and at the same time
 - c) the insurance shall not cover any damage or costs that occurred before the inception of the insurance.
4. The insurance shall cover any environmental damage having occurred as a result of the damaging event having occurred at the place of operation of the insured as indicated in the insurance policy as well as any environmental damage caused as a result of defectiveness of a product having occurred in the territory of Slovak Republic unless otherwise stated in the insurance policy.
5. The extent of damages provided by the insurer shall be limited by the amount of the sum insured, payment limit or any other sublimits stipulated in the insurance policy and in these PREMIUM VPP EL. The sum of the payment for the environmental damage, for the insured costs, for the damage to things and damage to health as well as for the costs of legal defence shall not exceed the sum insured or the sublimit stated in the insurance policy.

Article 3 Exclusions

1. The liability insurance against environmental damage shall not cover the damage:

- a) the insurer shall not be held liable for pursuant to the applicable legal regulations;
- b) the occurrence or the threat of which the insured was aware of or must have been aware of before the arrangement of the insurance;
- c) the occurrence of which has been caused by the use of unsuitable materials when manipulating with or storing materials and substances that may cause environmental damage;
- d) the occurrence of which has been caused or the extent of which has been increased due to the absence of prescribed safety measures resulting for the insured from the applicable legislative system or from a decision of relevant public authorities;
- e) caused deliberately or due to “*wilful negligence*” of the insured or of persons acting on behalf of the insured;
- f) arose as a result of negative impact of the normal operation of the insured on the environment and the damage arising from diffuse pollution;
- g) caused by leakage of substances from “*underground storage facilities*”;
- h) caused as a result of damaging the elevated and underground conduits of any kind (including the sewage system);
- i) caused as a result of an occupational accident or of an occupational disease of the employee of the insured including any recourse claims of health insurance companies and of the Social Insurance Agency;
- j) caused due to the acts of the insured having no relevant legal authorization thereto;
- k) caused by geological survey or by oil or gas extraction;
- l) caused due to the ownership and/or operation of mines and quarries or due to extraction and tunnelling;
- m) caused due to the performance of demolition and crushing works or due to handling of explosives;
- n) resulting from the ownership or operation of waste dumping site including liquidation and separation of waste;
- o) caused in transport of any kind of substances and materials and the loading and unloading thereof (off the places of operation of the insured as indicated in the insurance policy);
- p) due to the acts of the insured based on which prior to the conclusion of the insurance policy there were proceedings on damages or any associated procedure initiated or commenced vis-à-vis the insured to prove the fault of the insured;
- q) by the insured that based on an agreement or beyond the scope of the generally binding legal regulations has undertaken an obligation to pay damages;
- r) due to failure to fulfil an obligation to avert imminent damage or due to failure to fulfil the obligation to carry out acts in order to prevent the increase of the scope of the resulting or arising damage;
- s) due to the default of fulfilling a statutory or contractual obligation or due to failure to supply a service or a product;
- t) caused by or resulting from the loss, damage, destruction, malfunction, deletion, distortion or modification of electronic data or software equipment due to any reason (including, but not limited to the computer viruses) or by reducing the usability, functionality or the value arising therefrom;
- u) by subsidence, landslide, erosion, controlled industrial blasting or as a consequence of undermining;
- v) by or resulting from the effects of magnetic or electromagnetic fields and the radiation thereof;
- w) by or resulting from the effects of nuclear energy or nuclear radiation of any kind;

2. Further, the liability insurance against environmental damage shall not cover the damage:

- a) caused by formaldehyde, asbestos, silicium, persistent organic materials, polychlorinated biphenyls, methyl tert-butyl ether, plumbum, mercury, man-made mineral fibre;
 - b) caused by fungi, mould or similar organisms and any by-products or any infestation arising from them (e.g. mycotoxins, spores);
 - c) caused by use of genetically modified organisms or plants, or release of alien invasive living organisms or release of plant seeds of similar type;
 - d) caused directly or indirectly by war (regardless whether it has been declared or not), act of terrorism, invasion, acts of foreign enemies, civil war, rebellion, revolution, uprising, military power, sabotage and strikes and riots, or by participating in riots, uprisings, strikes or caused by official measures undertaken for purposes other than to restrict the insured event;
 - e) caused by or resulting from the ownership, administration or operation of any motor vehicle (including any semi-trailer or trailer thereof) by the insured or any person entrusted by the insured provided that for such motor vehicle an obligation to enter into a compulsory contractual motor vehicle third party liability insurance shall be applicable;
 - f) caused by ownership, operation or maintenance of railways, trailers, tram lines, cable railways, tows including any means of transportation and equipment operated thereon,
 - g) caused by or resulting from any connection with the ownership, possession or operation of an aircraft, boat or any other air and/or water means of transport;
 - h) caused by a product being part of a means of transport of any range and of any kind (road, air, sea, railroad, etc.) of mass or individual transport;
 - i) having occurred on the defective product itself and/or having occurred as a result of necessity to withdraw the defective product off the market or the costs required to procure for the transport, storage and disposal of the defective product;
 - j) caused by the supply of a product the defect or insufficient parameters of which the insured was aware of or should have been aware of prior to its supply to the customer or prior to its introduction onto the market;
 - k) caused by insufficient testing of the product (pursuant to the prescribed standards and/or usual practice of the given industry) prior to its supply to the off-taker or its introduction to the market;
 - l) caused by a product the origin or the use of which relates to acquirement, modification, processing, manipulation, separation, storage, use or making use of materials partially or entirely originated from human body, including any organs, tissues, cells, transplants, excreta and secreta as well as any materials acquired or produced thereof;
 - m) caused by a product of the insured if such damage has been caused by inappropriateness of the product for the given purpose of use;
 - n) caused by one or by several of the following products of the insured: human pharmaceuticals, veterinary pharmaceuticals, blood and blood derivatives, vaccines, cosmetic products, animal fodder, agricultural sprayings, fertilizers, insecticides or pesticides;
3. The insurance shall not cover any reimbursement of contractual, administrative and/or criminal penalties or fines of any kind including so called punitive damages or exemplary damages.
 4. The insurance shall not cover any claims for damages including reimbursement of fees of legal representation in connection with any right for damages granted by a recognized official public authority either territorially or functionally competent to Unites States of America (USA) or Canada.

Article 4 The inception, amendment and termination of the insurance

1. The insurance shall be agreed either for a definite or indefinite term, whereas unless otherwise stated in the policy, the insurance shall be agreed for indefinite term and the policy period shall be a period of one

- year. The insurance shall incept as of the first day following the entering into the policy, unless agreed by the parties that the insurance shall incept by mere entering into the policy or a later date of insurance inception has been determined.
2. The scope of the insurance agreed in the policy may be amended only by an agreement of the parties; however, this shall not apply if during the validity of the insurance the co-insured entity is terminated where upon the termination of the co-insured the damage liability insurance shall be terminated. The same rules as for the entering into the policy shall also apply for entering into an agreement on amendment to the policy. The entry into force of the amendment to the policy shall be indicated in the agreement on such amendment.
3. Unless agreed otherwise, with regard to the amendment to the policy the inception date and the end date of the policy period shall not be affected.
4. The insurance shall terminate:
 - (a) upon expiry of the agreed term indicated in the policy;
 - (b) by a written notice of one of the parties to the end of the policy period, whereas the notice shall be delivered to the other party at least six weeks prior to the end of the policy period;
 - (c) by a written notice of one of the parties within two months following the date of entering into the policy with a notice period of eight days;
 - (d) if the premium for the first policy period or the lump-sum premium have not been paid within three months following its due date, the insurance shall terminate upon expiry of this time limit;
 - (e) if the premium for the next policy period has not been paid within one month following the delivery of the payment notice of the insurer if the premium has not been paid prior to the delivery thereof. The payment notice of the insurer shall involve a notice that in case of failure to pay the premium the insurance shall be terminated, whereas the same shall apply also for cases where only the part of the premium has been paid;
 - (f) by a written notice of one of the parties within one month following the providing of the payment or the dismissal thereof whereas the notice period shall be of eight days and upon its expiry the insurance shall be terminated;
 - (g) upon cancelling the authorization for the business activity, upon termination of the insured;
 - (h) based on a written agreement of the parties.
5. In case of wilful breach of the obligation by the policyholder or the insured to "truthfully and completely answer all written questions of the insurer related to the arranging of the insurance" the insurer may withdraw from the policy if upon truthful and complete answers to the questions the insurer would have not entered into the policy. The insurer may exercise this right within three months from the day it becomes aware of this fact, otherwise the right shall be terminated.
6. Should the insurer after the insured event become aware of a fact that it could not discover due to wilful untrue or incomplete answers that were material for entering into the policy, the insurer shall be entitled to refuse to provide the payment; upon refusal of the payment the insurance shall be terminated.

Article 5 Insurance premium

1. Insurance premium is a contractually agreed price for the insurance cover provided by the insurer to the extent stipulated by the insurance policy. The amount of the insurance premium shall be determined by the insurer. The insurance premium shall be paid by the policyholder in the amount and due dates agreed in the insurance policy. The amount of insurance premium, the due date of the insurance premium and the amount of insurance premium instalment provided that the insurance premium is to be paid in instalments shall be included in the insurance policy.
2. The part of the insurance term for which the insurance premium shall be paid is called the insurance period. Unless otherwise indicated the insurance policy, an insurance:
 - (a) for an indefinite period the insurance period is one year (1 insurance year, i.e. 365 consecutive calendar days or 366 days for leap years, respectively.)
 - (b) for a definite period, for a period of less than one year the insurance period and insurance term are identical.

3. If, during the course of the insurance period there is a change in the facts pursuant to which the amount of the insurance premium has been established, the insurer shall be entitled to adjust the amount of the insurance premium even retrospectively as to the date of such change.
4. The insurer shall be entitled to an insurance premium for the time period defined by the commencement and termination of the insurance. If the insurance expires before the end of the insurance period for which the insurance premium has been paid, the insurer shall return the outstanding amount of the paid insurance premium. In cases where the insured event occurred and thus the cause of further insurance has been lapsed (e.g. theft, destruction of the insured asset), the insurer shall be entitled for the insurance premium until the end of the insurance period during the course of which the insured event occurred.
5. The insurance premium shall be deemed to have been paid in time if it is credited to the bank account of the insurer in the correct amount no later than on the day of its maturity with a correctly indicated variable symbol assigned by the insurer.
6. The payment of the insurance premium for the insurance period may be stipulated by the insurance policy in half-yearly or quarterly instalments. In case where the insurance premium under the insurance policy is to be paid in instalments it follows that any non-payment of the instalment of the insurance premium the amount of the insurance premium corresponding to the end of the insurance period shall become due in full amount on the day following the due date of instalment of the insurance premium provided the insurer exercises this right to the due date of the next insurance premium instalment.

Article 6 The payment

1. As a result of one and all damage having occurred during one policy period the insurer shall pay for the insured the damages, however, in maximum amount of the sum insured or limit or sublimit of the payment agreed in the policy.
2. The insured shall participate in the payment for each damage with a sum agreed in the policy as a deductible by which the insurer shall reduce the damages paid to the aggrieved party.
3. If, after making the payment or any part thereof, it should be discovered that the aggrieved party had no claim whatsoever or the insured and/or the co-insured persons failed to meet the requirements/conditions for the payment, the aggrieved party or the insured and/or the co-insured persons shall return the insurer the received payment and the insured shall reimburse the insurer for any costs associated with making the payment.
4. Should the insured cause the increase of costs of the insurer because the substantial facts need to be established again or because of a late notification on the insured event it shall cause that the damages cannot be paid by the insurer in time the insurer shall be entitled to pursue recourse in amount of costs incurred therewith.
5. If due to a late notification on the damaging event the cause of occurrence of the damage or its extent may not be objectively established by the insurer, then the insurer shall be entitled to refuse to make the payment or reduce the amount thereof by the part of the damage that could not be documented.

Article 7 Rights and duties of the parties

1. In addition to the duties stated by the generally binding legal regulations the insured and/or the policyholder shall:
 - (a) truly and completely answer to all written questions of the insurer including any e-mail communications and surveys with regard to the insurance being arranged,
 - (b) without undue delay notify the insurer on any change in facts having been the supporting documents (surveys, written and e-mail communication including any annexes) when entering into the policy and on any change in facts the insured presented to the insurer while arranging the insurance if these could affect the risk resulting from the insured activity,
 - (c) allow the insurer anytime inspect any and all accounting and any other documents provided these are material for establishing or

- verifying the values being decisive for establishing the amount of premium,
- (d) notify the insurer that it has entered into an another insurance of the same scope and notify on the business name, the amount of the premium and payment limit,
- (e) pay the premium as agreed in the policy, whereas neither the insured nor the policyholder shall be entitled to set off the payment of the premium vis-à-vis any claim for the payment,
- (f) proceed in accordance with the instructions of the insurer and act in a manner to avoid the occurrence of the damaging event and at the same time the insured must not breach any obligations under the policy and the generally binding legal regulations leading to the averting or mitigating the threat of occurrence of the damaging event and must not abide breaching of these obligations by third parties.
- (g) immediately after entering into the policy acquaint with the contents of these PREMIUM VPPZ EL, contractual arrangements and policy;
- (h) not without the consent of the insurer undertake any obligation or accept liability for any damage, if any, conclude any court settlement or voluntarily provide any compensation for any "damage", except of incurring any costs necessary to prevent the intensification or to mitigate the damage, if any, or costs necessary to prevent the occurrence of damage,
- (i) allow the insurer to choose the legal representative and the administration of court proceedings in all cases where costs shall be borne by the insurer;
- (j) without undue delay notify the insurer on any event the liability of the insured for damage is or might be associated with and that might in the future impose an obligation of the insurer to provide the payment.

2. In case of a damaging event that might give rise to right for the payment the insured shall:
 - (a) carry out any and all measures to mitigate the consequences of damage, if any, and to prevent the intensification of the extent of the damage;
 - (b) without undue delay notify the insurer on place, date, cause and extent of the event and supplement such notice within 5 days in writing, whereas the insured shall further provide the insurer with any documents required by the insurer and allow the insurer inspect the notified facts;
 - (c) without undue delay notify the police on any damaging event occurring under circumstances of very suspicion of committing a criminal offence and allow the insurer access to the investigation file of the police.
3. If there is a court or an out-of-court damages proceedings vis-à-vis the insured, the insured shall:
 - (a) without undue delay notify the insurer thereon,
 - (b) secure the right for damages from the occurred damage vis-à-vis the other person or any similar rights and assert a claim for damages from the occurred damage vis-à-vis the person liable for such damage, whereas should the insured breach the obligations to secure the insurer the option to exercise the right passed onto the insurer, the insurer shall be entitled to require the insured to provide compensation up to the amount of 50% of the paid payment or the insurer shall be entitled to reduce the payment by such amount.
4. In addition to the obligations given by the generally binding legal regulations, the insurer shall:
 - (a) notify the policyholder on the insurance terms concerning the insurance being arranged,
 - (b) if requested by the policyholder or by the insured, return the originals of documents provided these do not form the necessary component of the file to the insured event,
 - (c) on a scheduled date allow the policyholder or the insured inspect the file on its damaging event and upon a written request provide the policyholder with copies of documents of the file on the damaging event, whereas the costs incurred with the photocopies shall be borne by the policyholder,
 - (d) observe confidentiality of all circumstances it has become aware of when arranging the insurance, administration of the insurance and investigation of insured events. These information may be provided to third persons only with consent of the policyholder, whereas the

consent of the policyholder and/or of the insured shall not be required if it is necessary for the delivery of postal matters, insurance administration, enforcement of the default premium or for the necessities of the investigation required to establish the extent of obligation of the insurer to provide the payment and amount thereof.

5. The policyholder and/or the insured shall pay the premium in the manner agreed in the policy. Unless otherwise agreed in the policy, the premium shall be payable as of the first day of the policy period. Should the policyholder and/or the insured be in arrears with the payment of the premium, the insurer shall be entitled:
 - (a) to demand default interest on the late payment of premium for each day of delay in accordance with generally binding regulations,
 - (b) to be reimburse any costs incurred with regard to the delivery of documents concerning the payment of the outstanding premium,
 - (c) to deduct from the amount of the payment the amount corresponding to the outstanding premium including any default interest.

Article 8 Interpretation of defined terms

1. *Imminent threat of environmental damage* is a sufficient probability that in the near future environmental damage may be caused.
2. *Supplementary remedy* are remedial measures that shall be adopted where restitution of *natural resources* or the functions thereof stricken by *environmental damage* has not been accomplished by primary remedial measures.
3. *Environmental damage* is any damage to (i) protected species and protected biotopes having material adverse effects for accomplishment or sustainment of the favourable conservation status of protected species and protected biotopes except of the previously identified adverse effects arising from as a result of acts of the operator having been expressly authorized to in accordance with a special regulation; any damage to (ii) water having material adverse effects to the ecological, chemical or qualitative condition of waters or to the ecological potential of waters except of the adverse effects set forth in a special regulation, or any damage to (iii) ground consisting of soil pollution constituting substantial risk of adverse effects to health as a result of direct or indirect application of substances, agents, microorganisms onto the ground, into the ground or under the surface thereof. Any environmental damage must be unexpected, unforeseeable and accidental whereas the damage in this context means a measurable adverse change in a natural resource or measurable impairment of functions of a natural resource that may occur directly or indirectly. An environmental damage shall not cover any damage to property or damage to health.
4. *Europe* (for extension of the territorial coverage) means the territory of the following countries: Albania, Andorra, Belgium, Bulgaria, Bosnia and Herzegovina, Belarus, Switzerland, Cyprus, Czech Republic, Germany, Denmark, Spain, Estonia, France, Finland, Liechtenstein, United Kingdom of Great Britain and Northern Ireland, Greece, Hungary, Croatia, Italy, Israel, Iran, Ireland, Iceland, Luxemburg, Latvia, Lithuania, Malta, Monaco, Moldavia, Former Federal Republic of Macedonia, Norway, Netherlands, Portugal, Russia (the geographical part of Europe only), Sweden, Serbia, Montenegro, Vatican, Slovak Republic, Slovenia, Ukraine.
5. *Compensatory remedy* are remedial measures that shall be adopted for the compensation of temporal losses of *natural resources* or the functions thereof having occurred from the day of occurrence of the *environmental damage* until the restoration of natural resources or functions thereof is accomplished.
6. *Remedial measures* are measures for elimination or remedy of environmental damage by the insured or the relevant authorities of the public authority the objective of which is the restoration, regeneration or replacement of the damaged "*natural resources*". The remedial measures consist of "*primary remedy*", "*supplementary remedy*" or "*compensatory remedy*".
7. *Costs of legal defence* costs incurred (max. up to the attorney tariff remuneration) by the insured as a result of the environmental damage or imminent threat of environmental damage covered by the insurance, provided, however, that the acts of defence of the insured have been approved by the insurer in advance. In lieu of the reimbursement of costs the insurer shall be entitled to appoint to the insured for a necessary time a legal representative that shall legally represent the insured at the expense of the insurer. The insurer reserves the right to examine, scrutinize and make an out-of-court settlement of any claim to its sole discretion. The costs of legal defence shall not increase the sum insured and the insurer shall provide the compensation thereof together with the compensation for the environmental damage and together with any other insured costs up to the amount of the sum insured or up to the amount of the sublimit if agreed upon in the insurance policy.
8. *Claim* is an action of the aggrieved party or of its entrusted person vis-à-vis the insured informing the insured that due to the action or the effects of the operations of the insured a damage has been caused. The date of raising the claim shall be the date when the action of the aggrieved party (as indicated in the previous sentence) has reached the sphere of disposition of the insured or in case the aggrieved party has raised the claim vis-à-vis the insurer the date of receipt of the notice on claim by the insurer, whichever of these shall occur first. In case multiple claims have been raised as a result of one damaging event the date of raising the *claim* shall be the date of raising the first of these claims.
9. *Elevated and underground conduits* are pipelines (e.g. water, sewage, gas, oil duct) and power (transfer and distribution of electricity), communication (telegraph, telephone, internet transferring visual and/or audio signals), controlling and managing cables including any poles, masts, stands, other supporting structures and controlling and managing equipment and elements pertaining thereto.
10. *Entitled person* is any legal entity or natural person that shall be entitled for payment as a result of an insured event.
11. *Underground storage facility* is any storage facility (container, tank, etc.) of which more than 10% by volume (including conduit connected with the tank are located under the ground).
12. *Insured activity* is the activity performed by the insured based on a valid authorization granted under generally binding legal regulations and any other activities associated therewith. The insured activity shall be indicated in the policy.
13. *Period of insurance* (term of the insurance coverage) is a time period for which the policy is being concluded. The period of insurance usually consists of several policy periods.
14. *Policy period* is a period in consideration of which the premium is being paid. Unless otherwise stated in the policy, the policy period is one technical year commencing by the zero hour of the day indicated in the period of insurance as the insurance inception and ending by the last hour of the day preceding to the day of anniversary of the insurance inception.
15. *The insured* is a natural person entrepreneur or a legal entity indicated as the insured in the policy. Any persons acting on behalf of the insured based on a mandate or power of attorney and pursuant to the law being responsible for their actions independently from the insured shall not be regarded as the insured.
16. *Sum insured* or the *payment limit* is the upper limit of the payment of the insurer under conditions agreed in the policy.
17. *Aggrieved party* is a natural person or a legal entity that has suffered damage by acting of the insured for which the insured shall be held liable pursuant to the generally binding legal regulations.
18. *Preventive measures* are measures adopted and carried out by the insured or on its behalf in order to avert the *imminent threat of environmental damage* the objective of which is the prevention or minimization of the *environmental damage*. These are measures under which reasonable expenses other than costs of maintenance, repair,

replacement or improvement of operating facilities or equipment of the insured are spent.

19. **Primary remedy** are remedial measures to achieve restoration of natural resources or functions thereof damaged by environmental damage to the original condition or almost to original condition.
20. **Natural resources** are protected species, protected biotopes, water and ground.
21. **First finding** means the first verifiable finding on the occurrence of the insured event as a result of which the environmental damage or the imminent threat of environmental damage has occurred.
22. **Retrospective date** is the date stated in the policy from which the insurance coverage shall be retrospectively provided for the period to the inception of the insurance stated in the policy.
23. **Extended period for the right to notify the claim** is an additional period following the termination of the period of insurance during which the policyholder or the insured may find and notify the insurer on any claim arisen or any circumstance that may lead to occurrence of a claim.
24. **Sublimit** is the part of the sum insured agreed in the policy as the maximum amount of reimbursement that shall be paid by the insurer for a certain kind of damage to which the sublimit applies while the sublimit shall not increase the sum insured or the payment limit.
25. **Damage to things** is physical damage to tangible things caused as a result of the environmental damage, including any subsequent property damage (lost profits) related thereto resulting from the loss of functionality or the possibility of using the defective tangible thing.
26. **Damage to health** is material or immaterial damage caused as a result of the environmental damage due to direct or indirect health damage or death of a natural person including any loss of earnings resulting from the damage to health.
27. **Damaging event** is an event that occurs suddenly and unexpectedly during the term of the insurance coverage that is at the time of arranging of the insurance contemplated by the insurer and the insured that it may occur, however, not certain if and when it occurs and at the same time it is the event giving rise to the damage that may be the reason for giving rise of the right for providing the payment. In case the cause of the damaging event and the damage resulting thereof falls under the insurance coverage agreed in the policy the damaging event shall be qualified as the *Insured event*.
28. **Technical costs** are costs incurred by the insured in connection with the environmental damage for legal services, expert opinion, insurance surveyor, environmental consultants or experts after a written consent of the insurer granted in advance. The insurer shall be entitled to decide that in the event of an insured event it will not cover the technical costs of the insured, however, it will at its own expenses furnish a professionally qualified person to carry out for the insured the works covered by these *technical costs*.
29. **Act of terrorism** means an act inclusive of use of force or violence and/or threat of their use by any person or group/groups of persons regardless of whether acting alone or on behalf of someone or in connection with any organization/organizations or government/governments committed for political, religious, ideological, social or similar reasons including the intention to influence any government and/ or intimidate the public or a part of the public.
30. **Lost profit** is an economic harm expressed in monetary terms meaning that due to a damage to the property values of the aggrieved party these are not to be multiplied in the extent that would be expected in case of natural course of things.
31. **Product introduction/supply to market/ product circulation** is the moment when the manufacturer has lost the ownership of the product. In assumption of an existing commercial contractual relationship the product must be introduced to the market for a consideration, e.g. sale, lease, given into leasing or given away based on a contract with a customer. As product introduction to circulation shall not be regarded the

case when the product has been stolen from the manufacturer or has been lost.

32. **Wilful negligence** is such an act or failure to act if the insured knew that by acting in such a manner he could cause damage, however, without any good reasons he presumed that no such damage would be caused.
33. **Product** is any movable thing that has been produced, extracted or otherwise acquired without regard to its degree of manufacturing and that is designed for introduction to product circulation. A product is also any movable thing that is part or is an accessory of other movable or immovable thing. Electricity and gas, if designated for consumption, shall be considered as product as well.
34. **Mitigative measures** are any measures ordered by the insurer to mitigate the extent of the occurring environmental damage or the costs of adequate and urgent measures incurred by the insured or by a third person (firefighters, civil defence and so on) in order to mitigate the consequences of the occurring environmental damage, to mitigate the adverse effects of the insured event to health or to prevent any further aggravation of natural resources provided such costs are according to the applicable legal regulations not paid or refundable from public resources or are not paid by the insured as a lump sum regardless the fact whether the insured event shall occur (e.g. within the fees for emergency services, etc.). The mitigative measures shall not include any costs of maintenance, repair, replacement or improvement of operational operating facilities or equipment of the insured or any costs of emptying the retaining safety systems (cesspit, septic tank, collecting tank, etc.).

Article 9 Handling complaints

1. A complaint can be filed in any operation of the insurer during opening hours personally or in writing to: Premium Insurance Company Limited, a subsidiary insurance company from another Member State, Námestie Mateja Korvína 1, 811 07 Bratislava – district Staré Mesto, Slovak Republic. The complaint can also be filed electronically at e - mail: staznosti@premium-ic.sk
More detailed information about the place, the method of submitting a complaint and the further procedure for its processing is available on the insurer's website www.premium-ic.sk
2. The complaint shall be handled promptly, no later than 30 days after its receipt. If this is not possible due to the circumstances of the case, the complainant will be informed of the reasons for extending the time limit for handling the complaint, stating the expected date for handling the complaint.

Article 10 Closing provisions

1. The insurance terms form an inseparable part of the policy and the parties may deviate from the provisions thereof in the policy. In case of a discrepancy between the provision of the insurance terms and provision of the policy, the provision of the policy shall prevail. Unless the provisions of the insurance terms differ in the same case with the provisions of the policy the provisions of both shall apply at the same time.
2. As regards the issues of effectiveness, interpretation and its exercise the policy the annex of which is formed by these PREMIUM VPP EL shall be governed by the law of Slovak Republic. For any disputes arising out of this policy the courts of Slovak Republic shall be exclusively competent. The same shall apply also to any damage occurring abroad.
3. The provisions of these PREMIUM VPP EL regarding the insured shall apply also to the policyholder (if the is a person other than the insured) and / or another authorized person.
4. Any documents addressed to the insurer, policyholder and the insured shall be delivered to the last known address of registered office or correspondence address of the policyholder and the insured if other than the address of the registered office and the insured has been notified thereon. The policyholder as well as the insured shall without undue delay notify the insurer on any change of their address.

5. The insurer shall deliver documents to the last known address of the policyholder or of the insured. Any documents of the insurer addressed to the policyholder or to the insured (hereinafter as the “addressee”) shall be deemed to have been delivered as of the day of delivery to the addressee. If the document has been deposited at the post office because the addressee could not be reached and the document has never been collected by the addressee during the given storage time the document shall be deemed to have been delivered as of the day of its deposition at the post office even if the addressee has never learned of the deposition thereon. The same shall apply also in case if the document has been returned to the insurer as undelivered for change of address that the policyholder or the insured failed to notify. Should the addressee refuse to receive the document then the document shall be deemed to have been delivered as of the day of such refusal.
6. Any change of the registered office, change of business name or change of any other data may be notified via telephone or electronic mail (e-mail) if allowed by the form thereof. The insurer, however, shall be entitled to request the completion of these notifications in writing.
7. Any notification on damaging event may be filed also via telephone on telephone number of the insurer or electronic mail to the e-mail address of the insurer set up for this purpose. This, however, shall not relieve the insured of its obligation to file the notification on damaging event also in writing on the prescribed form of the insurer.
8. These PREMIUM VPP EL shall enter into force as on 1st September 2020.