

Special insurance terms and conditions for insurance of buildings and structures of sole traders and small-sized enterprises

Article 1

Opening provisions

1. These OPP-SME for insurance of buildings and structures (hereinafter referred to as the "OPP-SME-B") supplement the provisions of the VPP-SME and form an integral part of the insurance policy.
2. The insurance of buildings and structures (hereinafter referred to as the "insurance") shall be governed by the applicable provisions of the Civil Code, the VPP-SME-B, these OPP-SME-B, the DPP-SME, if these form part of the insurance policy, and by the insurance policy.

Article 2

Insurance cover

1. The insurance provides cover for a set of buildings and structures, or structural modifications owned by the insured or for buildings and structures or structural modifications owned by the insured specified in the insurance policy on an item-by-item basis (selection).
2. The insurance also applies to buildings and structures or structural modifications owned by third parties only if these are used by the insured or has taken them over based on a written contract or job order for the purpose of providing a service being its authorized business object.
3. The insurance shall apply to the objects referred to in para. 1 and 2 of this Article only if they have been put into regular use on the basis of the occupancy permit, except for those buildings, where the building authority has waived the permit and are registered in the accounts of the insured.
4. Where the insurance covers a building or a structure, the insurance shall also cover any and all parts of the insured real property, including foundations, cellar walls, structural components and appurtenances of the building or structure with structural fasteners. The insurance does not cover the parts of the insured real property that are pursuant to the generally binding legal regulations subject to the restoration works.
5. Where the insurance covers a building or a structure, the insurance shall also cover:
 - (a) properly installed/mounted external mechanical barriers belonging to the building or structure (e.g., fencing, ramp, turnstile),
 - (b) roads, pavements, and paved areas belonging to the building or structure owned by the insured;
 - (c) other outbuildings having no house number (e.g. gazebos, swimming pools) belonging to the insured building or structure.

Where the things referred to in points (a) to (c) are not specifically stated in the insurance policy, they shall be subject to annual insurance claim payment limit of 10% of the sum insured of the building or structure to which they belong, however, up to EUR 10,000 whichever of the above amounts is lower, unless another amount is agreed in the insurance policy.

6. Where insurance of a set of things has been arranged, the insurance shall also apply to objects which have become part of the insured set of things (which were included in the accounting records of the insured) after the conclusion of the insurance policy as at the date of their inclusion into the set. With respect to things which have ceased to be part of the insured set (they were excluded from the insured's accounting records), the insurance expires on the date of their removal from the set.

7. The insurance also covers "Supplementary subjects of insurance":

- (a) Costs of removal of damaged structural components of insured structures (costs of vacation) - vacation of the place of insurance, including demolition of standing parts, removal of debris and other remains to the nearest landfill and the storage or destruction thereof,
- (b) Costs of removal of any undamaged structural components of the insured structures - dismantling or assembly of any undamaged structural components of the building and structural modifications carried out on the undamaged structural components of the building.
- (c) Repair costs of the parts of the building damaged by any event other than a "listed" event (Article 3 para. 3 of these OPP-SME-B) - removal of damage to structural components of the insured building or to insured structural modifications or structural components in the premises used by the insured based on a lease agreement.

Any provision of insurance claim payment is subject to reporting of the damage to the Police Force of the Slovak Republic.

This supplementary insurance does not cover any damage caused by breaking of glass and damage to buildings under construction.

Any damage caused by sprays, graffiti or placement of posters shall be covered by the insurance only up to the costs of repainting or cleaning of the part of the object which has been deteriorated, e.g. in the case of a multi-storey building, repainting to the level of those floors which have been directly affected by the deterioration.

- (d) Costs of repair or recovery of firmly embedded or mounted glass - all types of glass including artificial glass of polycarbonate or polymethylmethacrylate (plexiglass):
 - mounted into the external structural openings of the building or structure (windows, doors, etc.), including glued sensors of electrical security systems or fire alarm systems, special surface treatment (glued foils, glass etching or glass painting, etc.),
 - glass mounted into fixed structural components inside the building or structures (e.g. partitions walls, walls);
 - mounted on terraces and loggias.
 - glass mounted inside the building or structure which is part of the structural modifications which the insured has carried out at its own expense in the premises used under a lease agreement,
 - illuminated signs, advertisements, tubes, and panels, including their electrical wirings, and supporting structures;
 - traffic lights.

damaged by any event other than a "listed" event (Article 3 para. 3 of these OPP-SME-B)).

- (e) Costs of repair of the parts of the building having artistic or historical value – structural components of artistic or historical value subject to restoration activities in accordance with the generally binding legal regulations.
- (f) Costs of leaking water from water supply equipment - leaked water or medium (water, sewage, etc.)
- (g) Repair costs of technological parts of the insured building (built-in machines, electronics) damaged by an event other than a "listed" event (Article 3, para. 3 of these OPP-SME-B).
- (h) Other "Supplementary subject of insurance" if stipulated in the insurance policy.

8. With regard to the “Supplementary subjects of insurance” within the meaning of para. 7 of this Article, a default insurance claim payment limit of up to EUR 2,000 is arranged.

The insurance claim payment limit shall apply to the respective “Supplementary subjects of insurance” or these subjects of insurance joint into groups subject to the agreement in the insurance policy.

With regard to the “Supplementary subjects of insurance”, higher insurance claim payment limits may also be agreed in the insurance policy.

9. The insurance does not apply to:

- (a) waters, soil, fields, land,
- (b) forests, overgrowth, and plants,
- (c) buildings and structures at the time of the construction, installation or reconstruction works, provided that the construction, installation, or reconstruction works carried out has had any effect on the cause of, For an increase in, the extent of the consequences of the damage;
- (d) unpaved areas, embankments, mounds which are not built of solid material (e.g. stone, concrete, metal, wood);
- (e) public roads (highways, roads, local roads, public utility roads), including bridges, overpasses, tunnels, footbridges, and underpasses;
- (f) airports including runways for take-off and landing, taxiways, railways, cableways, and other tracks;
- (g) public transmission and distribution systems for electricity, gas, water, heat, and public electronic communications networks;
- (h) water management structures on watercourses (dams and embankments, reservoirs, waterfronts, piers, ports, waterway canals and chambers, water treatments);
- (i) mining structures, boring rigs including any accessories,
- (j) nuclear power plants and nuclear fuel preparation facilities for such power plants, including any accessories;
- (k) building cells, inflatable halls, or tents;
- (l) buildings or structures which are long-term unused or unusable;
- (m) buildings or structures for which a demolition permit has been issued;
- (n) economic loss, lost profits.

The insurance for the things referred to in points (a) to (l) of this paragraph does not apply even if they are part of the insured set of things.

10. Also, the insurance policy may stipulate that the insurance shall not cover subjects other than those mentioned in these OPP-SME-B.

Article 3 Insured risks

1. The insurance covers any direct physical damage to the insured thing caused by a “contingency” which occurred unexpectedly and suddenly during the insurance period at the place of insurance and which is not excluded by these OPP-SME-B, VPP-SME, DPP-SME or by the insurance policy.
2. Any of the following “listed” events (insured risk) may be “Contingency”:
 - (a) fire,
 - (b) direct lightning strike,
 - (c) explosion,
 - (d) crash or fall of a flying object with crew;
 - (e) crash or fall of an unmanned flying object;
 - (f) sonic boom;
 - (g) atmospheric precipitation,
 - (h) smoke,

- (i) hail,
- (j) avalanche,
- (k) crash of motor vehicle driven by the insured,
- (l) crash of motor vehicle driven by a person other than the insured,
- (m) tumble of trees, poles, and other objects,
- (n) flood or inundation,
- (o) high winds,
- (p) weight of snow or icing;
- (q) water from non-public distribution system,
- (r) volcanic eruption,
- (s) earthquake,
- (t) landslide, collapse of rocks or soil;
- (u) theft,
- (v) robbery,
- (w) vandalism.

The insured risk **fire** does not cover damage caused by:

- (a) exposure to utility fire or radiant heat;
- (b) smouldering with restricted air access.

The insured risk **direct lightning strike** shall not cover any damage caused by overvoltage or induction to the equipment plugged in the electricity and/or data network.

The insured risk **explosion** shall not cover any damage caused by:

- (a) by explosion (reaction) in the combustion space of engines, barrels of firearms and in other equipment for which the energy of explosion is purposefully used,
- (b) by sonic boom,
- (c) to pressure tanks and facilities (boiler, pipeline, etc.) as a result of explosion in these pressure tanks or facilities due to their age, wear and tear, corrosion, or due to effects of sediments, slags, cavitation, and other lasting effects of the operation.
- (d) vacuum (implosion).

By the insured risk **crash or fall of an unmanned flying object** are not insured those damaging events which have not been reported to the Police Force of the Slovak Republic.

The insured risk **atmospheric precipitation** shall not cover any damage caused:

- (a) by soaking, drenching, or saturating with water which has not been formed by atmospheric precipitation,
- (b) by entry of atmospheric precipitation through openings in the roof or external walls caused by renovation, reconstruction, installations, or any similar works,
- (c) to roof covering, external construction elements of the building (structure) or to any its external accessories.

The insured risk **smoke** shall not cover any damage caused by permanent effects of smoke.

The insured risk **crash of motor vehicle driven by the insured** shall not cover any damage to the motor vehicles, mobile work machines and the cargo thereof.

The insured risk **crash of motor vehicle driven by a person other than the insured** shall not cover any damage:

- (a) to the motor vehicles, mobile work machines and the cargo thereof,
- (b) which have not been reported to the Police Force of the Slovak Republic.

The insured risk **flood** shall not cover any damaging events occurring as a result of:

- (a) flood or occurring in a direct connection with the flood within 10 days following the conclusion of the insurance unless otherwise agreed in the insurance policy,
- (b) regulated drainage of waters from watercourses.

The insured risks flood and inundation shall not apply to any damage:

- (a) caused to watercourse structures (water-gates, trunks, small hydro-electric power plants, embankments, pavements of banks etc.) or to things placed therein or thereon if the peak flow rate in the place of insurance has not reached at least the level of twenty-year flow rate; the twenty-year flow rate is the peak flow rate of the water flow that is the long-term average reached or exceeded once every twenty years,
- (b) caused by mechanical power effects of water in the water pipelines, canals or tunnels,
- (c) by scorching, putrefaction (rotting),
- (d) caused by flood or inundation which regarding the situation in the place of insurance can be expected, i.e. where the incidence of flood or inundation in the place of the insurance is more frequent than once per ten years prior to the date of the damaging event,
- (e) caused by malfunctions of closures preventing the return of water from the sewer,
- (f) by increase in groundwater levels not caused by flood or inundation;
- (g) rise of water level of water reservoirs, lakes, sea, or ocean.

The insured risk **inundation** shall not cover any damage caused as a result of formation of a water area caused by the insured risk water from non-public distribution systems.

The insured risk **weight of snow or ice** shall not cover any damage:

- (a) to the external rain gutters or drainage if not damaged in a causal relationship with the damage of the roof covering, supporting or any other construction of the building (structure),
- (b) occurred as a result of failure to maintain the roof of the building (structure) or as a result of improper construction of the roof,
- (c) occurred directly or indirectly as a result of dilapidated, rotten or otherwise deteriorated roof and of other supporting structures.

The insured risk **water from non-public distribution systems** does not apply to:

- (a) costs incurred in connection with leakage of water or other medium (water, sewage, etc.),
- (b) any damage caused by rise of water from sewer pipes,
- (c) any damage caused by pressure testing, repair, or maintenance of water supply equipment,
- (d) any damage caused by water leaking from roof gutters and external downpipes for atmospheric precipitation;
- (e) any damage caused to water supply equipment as a result of natural wear and tear or human activity; natural wear and tear means corrosion, erosion, exposure to mould, fungi, rot, etc., human activity means drilling, piercing, etc.,
- (f) any damage caused by sedimentation of soil if caused due to a reason other than water from non-public distribution systems.

The insured risk **landslide, collapse of rocks or soil** (for the purpose of this paragraph hereinafter referred to as "landslide") shall not apply to:

- (a) any damage if, in geological terms, at the time of conclusion of the insurance policy the landslide has already began,
- (b) any damage caused by landslide which with regard to the situation in the place of insurance may be expected, i.e. the occurrence of the landslide has been more frequent than once per ten years prior to the date of the damaging event,
- (c) any damage if the landslide has been caused by any industrial, construction, or human activity,
- (d) any damage caused by sedimentation of soil,
- (e) any costs incurred in connection with field any engineering following the landslide.

The insured risk **"theft", "robbery" or "vandalism"** shall not apply to any damage:

- (a) which has not been reported to the Police Force of the Slovak Republic,
- (b) where the insured has not allowed the insurer access to the police investigation or similar police file and at the request of

the insurer has not provided copies of the documents contained therein,

- (c) caused by embezzlement,
- (d) caused by loss, i.e. by ordinary theft or robbery without overcoming any security measures against theft or vandalism, except for any case referred to in para. 4 of this Article of these OPP-SME-B,
- (e) caused by deliberate action of the employees of the insured, if such action was carried out at the place of insurance during the period when access to the place of insurance of such employees was allowed,
- (f) upon finding differences in inventory checks or audit;
- (g) of aesthetic nature (painting, spraying, covering with stickers, engraving, etc.), which do not affect the functionality of the insured thing, in excess of the costs of repainting or cleaning the part of the object that has been deteriorated, e.g. in the case of a multi-storey building, repainting to the level of those floors which have been directly affected by the deterioration.

3. "Contingency" may also be any event other than the "listed" events (paragraph 2 of this Article of these OPP-SME-B), which is not excluded by the VPP-SME, OPP-SME-HV, DPP-SME, by the insurance policy or further excluded in this paragraph:

- any damage to the insured building, except for its technological part (built-in machines, electronics) is no contingency if caused by:

- (a) any construction defect, defect in project,
- (b) any defect in material or workmanship, any internal or latent defect or fatigue of the material,
- (c) error of the operator, clumsiness, negligence, defective design, work error,
- (d) malfunction of measuring, control, regulation or safety devices.

- any damage to the insured building, including its technological part (built-in machines, electronics) is no contingency if caused by:

- (a) permanent exposure to operation, natural wear and tear or aging, premature wear and tear,
- (b) due to permanent exposure to moisture, thermal, chemical, electrical, or mechanical effects,
- (c) corrosion, erosion, rust, oxidation, sediments of all kinds,
- (d) anticipated normal atmospheric conditions depending on the season and local circumstances;
- (e) natural properties of the thing, regardless of any other co-causes,
- (f) lack of water, oil, or lubricants,
- (g) error in connection with repair, maintenance, reconstruction, modernization, testing and modifications
- (h) process of processing, machining, manufacturing, packaging, treatment, testing or commissioning;
- (i) plants, fungi, mould, or similar organisms and any by-products or infestation thereof (mycotoxins, spores, etc.),
- (j) genetic changes of animals or plants;

- further, any damage to the insured glass is no contingency if:

- (a) caused in transit,
- (b) caused during installation, assembly, or dismantling,
- (c) caused by its scratching, painting, spraying, covering with stickers or by other similar means,
- (d) caused in defrosting,
- (e) caused by exposure to radiant heat when removing paint or stickers;
- (f) such glass forms part of a greenhouse, unless otherwise specified in the insurance policy.

- further, any damage caused to the insured thing shall constitute no contingency if caused by:

- (a) fraud, embezzlement, acts contrary to good morals, criminal offence, or dishonest acts of the insured, or another person acting at the initiative of the insured,
- (b) loss, except for "theft" or "robbery" of the insured thing, within the meaning of these VPP-SME-B and, except as provided above in para. 4 of this Article of these OPP-SME-B,

- (c) finding differences in inventory checks or audit;
- (d) loss of aesthetic nature (painting, spraying, covering with stickers, engraving, etc.), which do not affect the functionality of the insured thing, in excess of the costs of repainting or cleaning the part of the object that has been deteriorated, e.g. in the case of a multi-storey building, repainting to the level of those floors which have been directly affected by the deterioration.

- any damage for which by operation of law or based on a contract the supplier or contractor of the insured is liable, including any damage covered by warranty of the manufacturer, contractor, or service provider, shall be no contingency.

4. The insurance covers damage, destruction, or loss of the thing being subject of the insurance which occurred in a causal connection with the contingency referred to in para. 2 and 3 of this Article of these OPP-SME-B (consequential physical damage), for which the right of the insured to insurance claim payment has arisen.
5. In the insurance policy may be agreed that the insurance shall also not cover other contingencies or risks than those specified in these OPP-SME-B.

Article 4

Territorial scope and the place of insurance

1. Unless otherwise specified in the insurance policy, the insurance shall apply to insured things only if the damage to the thing subject to insurance occurred at the place which is specified in the insurance policy as the place of insurance.
2. Where insurance for a set of things is arranged, the place of insurance is the place stated in the insured's accounts as the place of operation. If any insured thing belonging to the set is subject to a lease agreement where the policyholder is specified as the lessor, the place of insurance of such thing shall be the place specified in the lease agreement or in the accounts of the lessee as the place of operation.
3. Where the insurance of things itemized and specified in the insurance policy (selection) is arranged, the place of insurance shall be the place indicated in the insured's accounts as the place of operation, unless the insurance policy indicates that the place of insurance is a building, room or place located in the territory of the Slovak Republic defined in the insurance policy by address or cadastral territory and plot (land) number where the insured things are located.

In the event of any insured event only as a result of unconscious mistake or unintentional omission:

- (a) when indicating the place of insurance where the insured thing is located, or
- (b) as a result of not including a place:
 - (i) owned, rented, or leased by the insured at the date of start of the insurance; or
 - (ii) purchased, rented or lease commenced during the term of the insurance;

then the insurance shall also apply to these places to the extent which would have been covered by the insurance in the absence of such unconscious mistake or unintentional omission, provided that any unconscious mistake or unintentional omission must be reported by the policyholder or the insured together with the date of findings and recording the repair.

However, this shall not increase the sums insured and insurance claim payment limits specified in the insurance policy and shall not relieve the policyholder or the insured of the obligation to report any new place of insurance to the insurer no later than 90 days after the first use by the insured.

Article 5

Insured value, sum insured, insurance claim payment limit

1. The insured value is the value of the insured thing at the time the insurance is arranged and shall be decisive for determining the sum insured.
2. The insured value may be:

- (a) **Replacement value** - the value to be incurred at the place of insurance for the re-acquisition of the same thing or a thing of a comparable type, kind, quality, and parameters,
- (b) **Other value**, if agreed in the insurance policy.

3. Where the insurance policy fails to stipulate for any subject of the insurance the insurance claim payment limit, the sum insured shall represent the upper limit of the insurance claim payment per one insurance period as well as shall serve as the basis for calculation of the premium. The sum insured shall be determined for each item of the subjects of insurance and should correspond to their insured value.
4. The total sum insured for the insurance of a set of things or selection of things specified in the insurance policy shall be the sum of the sums insured of the respective insured things of which the set of things or the selection of things consists.
5. The sum insured is determined by the policyholder who shall be responsible for its correctness.
6. If at the time of the insured event the sum insured of the insured thing is lower than its insured value by more than 15%, the insurer shall have the right to reduce the insurance claim payment by the same ratio as is the insured sum to the insured value of the insured thing.
7. The insurance policy may stipulate insurance claim payment limits for each individual subjects of insurance, sets of things, selections of things, respective insured risks, or groups of insured risks. This type of insurance and the amount of the insurance claim payment limit must be explicitly stated in the insurance policy; in case of this type of insurance paragraph 6 this Article shall not apply.
8. The insurance claim payment limit for the main subjects of insurance (buildings or structures, structural modifications) shall be agreed within the sum insured of the insured things and thus shall not increase sum insured thereof.
9. The insurance claim payment limit represents the upper limit of the insurer's payment for one and at the same time for all insured events occurring during one insurance period.
10. Unless explicitly agreed otherwise in the insurance policy, the insurer shall provide insurance claim payment during one insurance period for all insured events max. in the amount of:
 - (a) EUR 3 000 000,00 for insured events caused by hail,
 - (b) EUR 3 000 000,00 for insured events caused by flood or inundation;
 - (c) EUR 3 000 000,00 for insured events caused by high winds,
 - (d) EUR 3 000 000,00 for insured events caused by volcanic eruption,
 - (e) EUR 3 000 000,00 for insured events caused by earthquake,
 - (f) EUR 3 000 000,00 for insured events caused by landslide, collapse of rocks or soil.
11. In accordance with Art. 6 Insurance Claim Payment, para. 2 a so-called default renewal of the sum insured or payment limit is agreed. In such a case, after having paid the insurance claim payment, the sum insured or the payment limit shall be renewed to its original amount, i.e. it shall be increased by the difference resulting from the reduction of the sum insured or the insurance claim payment limit due to the payment of the insurance claim payment. The policyholder shall be obliged to pay proportional premium corresponding to the increase of the sum insured, or payment limit. For avoidance of any doubts, should the indemnity claim resulting from an insured event exceed the agreed sum insured or the payment limit, then the insurance claim payment limit is limited by the agreed amount of the sum insured or payment limit and it shall not be possible to claim the insurance claim payment of the renewed sum insured or payment limit.

Article 6

Insurance claim payment

1. The insured's right to insurance claim payment (insurance indemnity) of the insurer arises if an "insured event" occurred.
2. "Insured event" means any "contingency" entailing the insurer's obligation to pay the insurance claim payment (Article 3 of these OPP-SME-HB).
3. "Contingency" means any event occurring unexpectedly and suddenly at the place of insurance during the term of the

insurance and which at the time of conclusion of the insurance policy the insurer and the insured assume that it may occur, but it is uncertain whether or not it will occur or when it occurs.

4. In the event of any damage, destruction or loss of the subject of insurance (Art. 2 of these OPP-SME-HB) as a result of the insured event the insured shall have the right to obtain from the insurer the insurance claim payment in the amount of reasonable and economical costs usual in the time and at place the occurrence of the insured event incurred to re-acquire or repair the insured thing, whichever is the lower of these amounts.

The reasonable costs:

- (a) include costs associated with the placement or installation of the repaired or re-acquired thing in the place where it was before the insured event;
 - (b) do not include any wage or salary surcharges for overtime work or night work, work during holidays and leisure time, travel and accommodation costs of technicians and experts from abroad, expert appraisal costs, earthwork and excavation costs, additional project planning costs, transport costs of sending the damaged thing for repair abroad, including express surcharges and air transport of spare components.
5. In the event of destruction of the insured building or structure which has been insured to replacement value, the insurer shall only provide the insurance claim payment exceeding the time value if:
 - (a) its residual lifespan, as determined in accordance with generally binding regulations, is more than 20% of its expected lifespan as determined in accordance with those regulations;
 - (b) within three years of the occurrence of the insured event, the insured shall carry out the re-acquisition of the thing of same type, kind, quality and parameters in the place of insurance or also in another place within the territory of the Slovak Republic, if re-acquisition in the place of insurance is not feasible due to legal or economic reasons.

Time value is the replacement value reduced by the amount corresponding to the degree of wear and tear of the thing or other deterioration of the thing.

6. In the event of any insured event occurred to **glass** other than a "listed" event the insurer shall also provide reasonable costs:
 - (a) for relocation, dismantling, assembly and installation of safety grilles, foils, etc., support works such as scaffolding, lifting equipment, which had to be spent in repairing or installing the insured glass following the insured event; the sum of these costs and of the insurance claim payment resulting from the insured risk breaking of glass shall not exceed the sum insured or the insurance claim payment limit agreed for the subject of insurance,
 - (b) related to adjustments which serve to temporary protection of property until the replacement of the broken insured glass is possible; the insurance claim payment limit for these costs is the amount of 20% of the sum insured or of the insurance claim payment limit agreed for the subject of insurance and is arranged within the sum insured or insurance claim payment limit agreed for the subject of insurance.

7. The insurer shall provide the insurance claim payment for all insured events occurring during one insurance period up to a maximum amount of:
 - (a) the sum insured determined for the relevant insured thing;
 - (b) the aggregate insurance claim payment limit agreed in the insurance policy for the relevant insured thing, set or selection of insured things;
 - (c) the aggregate insurance claim payment limit agreed in the insurance policy for the relevant insured risk.

For the amount of the insurance claim payment the lower of the above amounts shall be decisive.

8. If as a result of occurrence of an insured event the insurer is obliged to provide the insurance claim payment, then the insured:

- (a) being a value added tax (hereinafter referred to as "VAT") payer shall be paid the insurance claim payment by the insurer without VAT; except in the case where the insured thing was stolen and VAT was included into the sum insured, in such a case the insurer shall pay the insurance claim payment including VAT,
 - (b) being non-VAT payer shall be paid the insurance claim payment by the insurer including VAT, however, provided that the VAT is included into the sum insured of the insured thing specified in the insurance policy.
9. After the insurance claim payment has been paid, the sum insured or the insurance claim payment limit for the relevant item of the subject of insurance shall be reduced by the amount of the paid insurance claim payment. The amount of the sum insured or of the insurance claim payment limit shall be automatically increased to its original value after payment of the relevant premium. This supplementary payment of the premium shall be deducted from the insurance claim payment.

Article 7

Security measures for protection of the insured property

1. This Article provides for security measures for protection of structural components and appurtenances of buildings placed on the external peripheral walls or on the roof of the building (for the purpose of this Article hereinafter collectively referred to as "external components") in the event of their:
 - (a) theft and damage in an attempted theft,
 - (b) damage in attempted break and enter into the building on which they are placed;
 - (c) damage resulting from any act of vandalism (vandalism).
2. External components with a lower edge or a lower edge of their structural mounting at a height of up to 3,5 m above the level of the surrounding terrain or up to 1,5 m from the point of access in the horizontal direction, must be structurally fastened by a non-detachable connection.
3. External components with a lower edge or a lower edge of their structural mounting at a height of more than 3,5 m above the level of the surrounding terrain or more than 1,5 m from the point of access in the horizontal direction, may be structurally fastened by a detachable connection.

Article 8

Obligations of the insured

In addition to the obligations stipulated by the VPP-SME, the insured is obliged to:

- (a) ensure full flow capacity of the sewer drainage pipe,
- (b) keep the water supply equipment in working order and ensure that it is regularly inspected;
- (c) ensure adequate heating of the building (structure) in the cold season;
- (d) turn off the water supply and drain the pipe in the event of water supply pipe damage.

Article 9

Definitions - subjects

1. **Building** is a spatially concentrated roofed ground-based structure including any underground spaces, which is structurally suitable and intended for the protection of people, animals, or things; it does not have to have walls but it must have a roof.
2. **Structural fastener** means any fixed connection of the appurtenances of any structure or building with a real property of a detachable or non-detachable kind.

Detachable connection means any connection for the disconnection of which at least a hand-held tool must be used.

Non-detachable connection means any connection in case of which it is not possible to disconnect the insured thing without destroying the connection and/or the insured thing.

3. **Mechanical barriers** are any means of direct securing of buildings or structures or parts thereof against illicit intrusion (e.g. ramps, road blocks, turnstiles, fencing, doors, windows, grilles, locks, locking systems, vaults, security foils). For the purpose of this term, illicit intrusion means any unauthorized entry.
4. **Real property** means buildings, halls, and structures, including their structural components and appurtenances.
5. **First use** means the date:
 - (a) of the final and lawful occupancy permit of the structure owned by the insured,
 - (b) indicated on the document of the decision of the building authority on waiving the occupancy permit of the structure owned by the insured,
 - (c) of acquisition of any structure with a lawful occupancy permit or any structure with regard to which the building authority has waived the occupancy permit into the ownership of the insured,
 - (d) the start of use of the structure by the insured based on a lease agreement.
6. **Appurtenances of buildings or structures** are those things which are intended to be permanently used with the building or structure and usually are detachably connected inside or outside the building or structure (electronic security systems (EZS), electronic fire alarm systems (EPS), antennas, CCTV systems, shading technology, mechanical barriers exclusive of mechanical barriers located outside the buildings or structures and those which are by their nature building components (e.g. windows, doors), etc.). Any external connections, roads, paved surfaces, wells, septic tanks and other structures or equipment outside the building or structures are not regarded as appurtenances of the building or structures.
7. **Glass** means any and all types of glass, including artificial glass of polycarbonate or polymethyl methacrylate (plexiglass):
 - (a) mounted into the external structural openings of the building or structure (windows, doors, etc.), including glued sensors of electrical security systems or fire alarm systems, special surface treatment (glued foils, glass etching or glass painting, etc.),
 - (b) glass mounted into fixed structural components inside the building or structures (e.g. partitions walls, walls);
 - (c) mounted on terraces and loggias.
 - (d) illuminated signs, advertisements, tubes, and panels, including their electrical wirings, and supporting structures;
 - (e) traffic lights.
8. **Structure** is a structural construction built by construction works from construction products which is firmly connected with the ground or the placing of which requires adjustment of the ground. Structures are according to their construction-technical design divided into buildings (ground-based structures) and civil engineering structures. Firm connection with the ground means:
 - (a) any solid foundation connection;
 - (b) any fastening by mechanical parts or by welding to any solid foundation in the ground or other structure;
 - (c) any anchoring by piles or ropes with anchors in the ground or other structure;
 - (d) connection to networks and devices of the technical equipment of the territory,
 - (e) underground installation.
9. **Watercourse structures** are bridges, sluices, dams, levees, and other structures forming the structure of the flow profile or reach into such profile.
10. **Structural components of buildings or structures** are things which due to their nature belong to the building or structure, and generally these things are integrated into the building or structure or are attached to them with structural fasteners, namely:
 - (a) internal distribution systems of cold and hot water (including central heating distribution systems), steam and the associated control and measurement equipment, internal sewerage distribution system, internal waste shafts, internal distribution system of air (air-conditioning and ventilation) and gas, distribution system of fire-fighting equipment including fire-extinguishing equipment,
 - (b) internal wiring including ceiling and wall lightings and associated switchboxes and switchboards, low-voltage and telecommunication internal wiring including security and safety equipment, data network wiring, lightning rods, passenger and freight lifts, local and central heating including boilers and heat exchangers,
 - (c) built-in structures (e.g. made of metal) for attaching equipment and objects, crane runway structures including rails and collectors;
 - (d) doors, windows, shutters, grilles, blinds, roller blinds, awnings, insulation of buildings and structures of any kind, wall and ceiling tiles including suspended ceilings (e.g. cassette ceilings), built-in furniture, handrails, built-in works of art in buildings and structures, mailboxes;
 - (e) basic fittings and equipment associated with the construction work (sanitary equipment, faucets, hand dryers, kitchen ranges, glass ceramic hobs, kitchen hoods, boilers),
 - (f) exterior lighting of structures and buildings other than production and operational lighting equipment, lighting of high-rise buildings, traffic signs and traffic designations.
11. **Structural modifications** are structural components and appurtenances of buildings or structures carried out by the insured at its own expense in premises of third parties.
12. **Set of things** consists of individual things having the same or similar nature or intended for the same purpose of use/utilization. The insurance of specifically itemised things of this nature is called the insurance of **selection of things**.

Article 10

Definitions - risks

1. **Sonic boom** is a shock wave induced by crossing of supersonic aircraft.
2. **Atmospheric precipitation** means condensation or sublimation of water vapour in the atmosphere that subsequently falls to the earth's surface. It is either in liquid or solid state (rain, drizzling, snow, graupel, snow grains, freezing rain, hail, and hoar frost) falling to the earth's surface from all kinds of clouds, i.e. vertical precipitation.
3. **Smoke** means any smoke which has suddenly leaked from combustion, heating, drying or boiling equipment.
4. **Erosion** is the physical process of disruption and removal of parts of the earth's surface by external (exogenous) factors.
5. **Theft** means appropriation of the insured thing by a third party where the offender has taken possession of the thing in one of the following ways:
 - (a) got to the place of insurance by demonstrably using a tool or equipment not intended for its proper opening or by other destructive way;
 - (b) got to the place of insurance by using a key intended for its proper opening, which it has demonstrably seized by break and enter or robbery;
 - (c) got to the place of insurance by any means other than that referred to in (a) or (b) of this paragraph, whereas leaving behind trace evidence proving its unauthorized presence or other there are other evidence (e.g. surveillance camera records) confirming the intrusion and presence of the offender.
6. **Hail** is a phenomenon when lumps of ice formed in the atmosphere fall to the earth's surface.
7. **Avalanche** is a sudden fall of snow or ice cover from natural slopes including atmospheric pressure (shock wave) caused by the avalanche.
8. **Robbery** means taking possession of a thing by any offender:
 - (a) using violence or threat of imminent violence against the insured, its employee, any other beneficiary or any person entrusted by the insured,

- (b) taking advantage of the reduced resistance of the insured or employee of the insured or the beneficiary, or as a result of their physical weakness following an accident (not in a causal context of conscious consumption of alcohol, drugs or misuse of medical drugs) or as a result of any other reason for which the insured or the entrusted person cannot be held liable;

persons entrusted by the insured for the purpose of this point are persons to whom the insured entrusted the insured things, persons entrusted with guarding any goods in transport, or persons entrusted with guard service.

9. **Mycotoxins** are toxic organic substances which are produced by several microscopic fungi.
10. **Crash or fall of an unmanned flying object** is any crash or fall of any RC model or pilotless aircraft (drone) which are mobile and remotely controlled by a signal. The RC model is a radio-controlled model of a miniature or imitation of a flying object (e.g. airplane, helicopter).
11. **Crash or fall of a flying object with crew** is any crash or fall of any flying object with crew (airplane, skimmer, helicopter, airship, hot air balloon, rogallo wing, etc.), of its the parts, objects or crew that have fallen therefrom. Crash or fall of a flying object with crew also refers to cases where the flying object had taken off with the crew, however, as a result of an event that preceded the crash or fall the crew had abandoned the flying object.
12. **Crash of motor vehicle driven by the insured** means a crash of any motor vehicle or mobile work machine (this term hereinafter only as the "crash of the vehicle") driven by the insured, its employees or by persons living with the insured in the same household. Crash of the vehicle also means any crash of cargo of the vehicle or objects thrown out of the vehicle due to the crash of the vehicle.
13. **Crash of motor vehicle driven by a person other than the insured** means a crash of any motor vehicle or mobile work machine (this term hereinafter only as the "crash of the vehicle") driven by a person other than the insured, its employees or by persons living with the insured in the same household. Crash of the vehicle also means any crash of cargo of the vehicle or objects thrown out of the vehicle due to the crash of the vehicle.
14. **Tumble of trees, poles and of other objects** is any motion of trees, poles and other objects having signs of fall generated by the earth's gravity whereas the object does not form any part of the insured thing.
15. **Breaking of glass** means breaking of glass by any accidental event other than stated in this Article of this OPP-SME-B which is not excluded by the VPP-SME, the OPP-SME-B, the DPP-SME or by the insurance policy. Breaking of glass also refers to its fragmentation, cracking, or such damage that the replacement thereof is essential due to occurrence of imminent threat to life or to other property.
16. **Flood** means flooding of spaces in the place of insurance with water which has overflowed the banks of surface waters (rivers, lakes, dams, etc.) or made these banks burst; in case of any dammed watercourse the dam supporting mass is regarded as the banks of the watercourse. Flood also refers to:
- (a) increase of groundwater level due to the flooding or atmospheric precipitation in the place of insurance,
 - (b) backward rise of water from sewer pipes caused by flood and atmospheric precipitation in the place of insurance.
17. **Fire** means any fire in a form of visible flame that has been created off the designated fireplace or which has exited the fireplace and by its own natural force has spread or has been intentionally created and/or spread by the offender; as fire is also regarded any associated phenomena thereof in form of heat and combustion products resulting from fire and the effects of the extinguishing medium used in the firefighting.
18. **Direct lightning strike** is the direct effects of the energy of the lightning or of the heat of the discharge thereof on the insured thing including damage or destruction of the insured thing by a

flying object the fall of which has been caused by the lightning strike.

19. **High winds** are the dynamic effects of the air mass moving with a speed of 65 km/h (18.06 m/s) and more. If such speed has not been ascertained with regard to the place of the occurrence of the damage, the insured shall prove that the air circulation has caused the damage in the surroundings of the insured thing to the duly maintained buildings or to any equally resistant things or that given the free-of-defects condition of the insured building or structure in which the insured things are placed the damage could have occurred only as a result of high winds. For the purpose of determination of the speed of the wind only the measurement carried out by the Slovak Hydrometeorological Institute shall be recognized. Any insured events caused by fall or throw of objects onto the insured thing shall also be covered by the insurance within the high winds provided that high winds have caused such fall or throw.

For the purposes of determining the wind speed, only measurements made by the Slovak Hydrometeorological Institute are accepted. Within a severe wind, insured events are also insured due to a fall or throwing of objects on the insured thing if strong wind caused such fall or throw.

20. **Embezzlement** means unauthorized appropriation of the entrusted insured thing.
21. **Weight of snow or ice** means the destructive effect of excess weight of snow or ice on roof coverings and supporting or other building structures. The excess weight of snow or ice refers to the load of the structural construction exceeding the determined data set forth by the applicable regulations at the time of the final inspection of the building (structure). Any leakage of melted snow or melted ice water into buildings through an opening as a result of damage to the structural components due to the weight of snow or ice shall also be regarded as insured event caused by weight of snow or ice.
22. **Vandalism** means any intentional damage or intentional destruction of:
- (a) any accessible available insured thing or any insured thing situated in an area immediately adjacent to a publicly accessible place;
 - (b) caused inside any real property;
- committed by a third party (offender), i.e. a person other than the policyholder, the insured or the person acting on their initiative or as per their instruction.
23. **Water from non-public distribution systems** means any unexpected and sudden leakage of water, steam, or liquid:
- (a) inside any building or structure from any permanently installed water or sewage pipes, heating, air-conditioning, solar or fire-fighting systems, including connected sanitary installations, fittings or equipment connected to such systems,
 - (b) from internal pipes and downpipes on the building envelope intended to remove any atmospheric precipitation,
 - (c) from tanks of more than 50 litres not forming part of the systems referred to in point (a) of this paragraph;
- The equipment referred to in points (a) to (c) is for the purpose of this OPP-SME-B **water supply equipment**.
24. **Explosion** means a sudden destructive display of a shock wave formed due to the expansion of gases or vapour. Explosion of pressure tank with compressed gas or vapour (boiler, pipes, etc.) means a sudden burst of its walls to such an extent resulting into a sudden equalization of pressure between the inner part of the tank and the external environment.
22. **Volcanic eruption** means a release of pressure caused by rupture of the earth's crust associated with eruption and casting of lava, outflow of ash and of other materials or gases.

26. **Inundation** means a contiguous water area formed by natural forces that stands or flows for some time in the place of insurance. As inundation is also regarded:
- (a) increase of groundwater level due to flooding or atmospheric precipitation in the place of insurance,
 - (b) backward rise of water from sewer pipes caused by flooding and atmospheric precipitation in the place of insurance.
24. **Earthquake** means shakes of the earth's surface resulting from the motion of the earth's crust with at least the 6th degree of the European macroseismic scale (EMS-98) in the place of insurance.
25. **Landslide, collapse of rocks or soil** is a sudden and unforeseen slip or collapse of soil, ground or rocks caused by natural and climatic forces including any objects set into motion by the landslide.

Article 11

Closing provisions

1. These OPP-SME-B form an integral part of the insurance policy and the parties may modify the provisions hereof by agreement in the insurance policy.
2. The provisions of these OPP-SME-B concerning the insured shall also apply to the policyholder (if the policyholder is a person other than the insured) and/or to any other beneficiary.
3. These OPP-SME-B shall enter into force on 20.07.2022.