

General insurance terms and conditions for property and liability insurance of sole traders and small-sized enterprises

Article 1

Introductory provisions

1. The insurance is governed by the relevant provisions of the Civil Code, the insurance policy and the applicable insurance terms and conditions.
2. In addition to these General Insurance Terms and Conditions for Property and Liability Insurance of Sole Traders and Small Enterprises (hereinafter referred to as the "VPP-SME"), the terms and conditions of insurance may be governed by the Special Insurance Terms and Conditions for Sole Traders and Small Enterprises (hereinafter referred to as "OPP-SME"), by the Supplementary Insurance Terms and Conditions for Sole Traders and Small Enterprises (hereinafter referred to as "DPP-SME") and by the provisions of the insurance policy.
3. In the event that a VPP-SME provision differs from a OPP-SME or a DPP-SME provision, the OPP-SME provision and the DPP-SME provision shall prevail. Unless the provisions of VPP-SME are different in the same matter with the provisions of OPP-SME and DPP-SME, the provisions of both shall apply. The same shall apply to the relationship between the provisions of the insurance policy, OPP-SME and DPP-SME and these VPP-SME, with the superiority of the provisions of the documents shall apply in the same order as are the documents stated. For the avoidance of any doubts, the provisions of the insurance policy shall take precedence over the provisions of the DPP-SME, OPP-SME and VPP-SME.

Article 2

Scope of the insurance, insured risk

1. The insurance cover is defined in the OPP-SME in the article "The insurance cover" or in the insurance policy in the "Cover and scope of the insurance", or also in the DPP-SME. The insurance provides cover only for subjects which have been agreed in the insurance policy.
2. Insured risk is a possible cause of damage to the subject of the insurance. Insured risks are specified in the OPP-SME, DPP-SME or in the insurance policy.

Article 3

General exclusions from the insurance

1. The insurance shall not cover any damage and costs of any kind triggered or caused in any causal relationship with any:
 - (a) acts of terrorism;
 - (b) consequence of war events regardless whether war has been declared or not, by any act of foreign hostility, by civil war;
 - (c) declaration of any state of emergency, revolution, uprising, riot, coup d'état, military coup, seizure, requisition for military purposes,
 - (d) demonstration, internal riots, strike, work shutout,
 - (e) repressive interventions of state authorities or authorities of public administration;
 - (f) decision of a state authority, local authority, court decision, or other official measures taken for purposes

other than preventing or minimizing the scope of any insured event.

2. Furthermore, the insurance does not cover any damage and costs of any kind triggered or caused in any causal relationship with any:
 - (a) intentional act, intentional omission to act or gross negligence of the policyholder, the insured or any other person at their initiative or instruction;
 - (b) conscious consumption of alcohol, drugs, or abuse of medical drugs by the policyholder or the insured or other person acting at their initiative or instruction, by a close person of the policyholder or of the insured or of a person living in the same household with the policyholder or the insured,
 - (c) defect or flaw which already had the insured thing at the time of the taking out of the insurance and which should or could have been known to the policyholder or to the insured regardless whether these were known to the insurer.
3. The insurance also does not cover any damage and costs of any kind triggered or caused in any causal relationship with any:
 - (a) exposure to nuclear energy, nuclear radiation of any kind, radioactive contamination, or pollution;
 - (b) pollution, contamination including leakage, contamination of soil and waters including groundwater and air, or the environment, unless these originated in direct connection with the insured event, which is associated with the insurer's obligation to provide insurance claim payment,
 - (c) loss, damage, destruction, malfunction, deletion, distortion or modification of electronic data or software equipment for any reason whatsoever (including, but not limited to, computer viruses, malware, hacker attack) or reduction/limitation of the functionality, usability, or price thereof,
 - (d) loss or deterioration of historical, cultural, artistic, or collectable value;
 - (e) net financial loss (intangible damage of any kind, including lost profits, increased production costs, fines, cash shortfall, losses incurred as a result of delay, failure to comply with the agreed performance or of loss of market or contract), any other sanctions, warranties or guarantees (financial performance, product warranties, refunds, etc.), loans).

Article 4

Start, duration, changes, and termination of the insurance

1. The insurance starts upon the moment defined in the insurance policy as the starting date and time of the insurance, however, the insurance shall not start before the insurance policy has been concluded.
2. The insurance is agreed for an insurance period, which is the time for which the insurance policy is concluded. The

insurance period is defined by the starting date of the insurance and, in case of a definite-term insurance, by the date of termination of the insurance. Unless stated otherwise in the insurance policy, the insurance is agreed for an indefinite period.

3. Unless stated otherwise in the insurance policy, in case of insurance

- (a) for an indefinite period, the insurance period means one technical or calendar year (1 insurance year, i.e. 365 consecutive calendar days, or 366 days in case of a leap year),
- (b) for a definite period, for a period of less than one year, the term of insurance period and the insurance period shall be identical.

The technical year starts with the zero hour of the day marked as the start of the insurance in the insurance policy and ends with the last hour of the day preceding the day of the anniversary of the start of the insurance. The calendar year starts with the zero hour of the day indicated in the insurance policy as the start of insurance and ends with the last hour of the day preceding the start of the calendar year.

3. The provisions of the insurance policy may be changed only by agreement by and between the parties, the policyholder, and the insurer (e.g. by an amendment to the insurance policy). The conclusion of such an agreement shall be governed by the same rules as the conclusion of the insurance policy. The entry into force of any change in the insurance policy shall be specified in the agreement on amendment thereof.

4. Unless agreed otherwise, the start and end of the insurance period agreed in the insurance policy shall not be changed in connection with any change of the insurance policy.

5. The insurance shall terminate in the following ways:

- (a) upon expiry of the term of insurance agreed in the insurance policy for a definite-term insurance,
- (b) by a written **termination notice** of the insurer or the policyholder:
 - (ba) within two months of the date of conclusion of the insurance policy; the notice period is eight days and starts from 12:00 AM on the day following the date of receipt of the termination notice by the other party; upon the expiry of the notice period, the insurance ceases to exist, whereas the insurer shall have the right to a pro rata part of the premium corresponding to the duration of the insurance,
 - (bb) within one month of the date of payment of the insurance claim or reduction thereof; the notice period is eight days and the insurance shall terminate upon the expiry of the notice period;
 - (bc) at the end of the insurance period if the termination notice is delivered to the other party no later than six weeks before the end of the insurance period.
- (c) by a written **agreement** by and between the policyholder and the insurer;
- (d) by withdrawal of the insurer from the insurance policy in case of a conscious breach of the obligation of the policyholder or of the insured "to truthfully and completely answer to all the written questions of the insurer concerning the arrangement of insurance", had the questions been truthfully and completely answered the insurer would not have concluded the insurance policy; this right may be exercised by the insurer within three

months of the date on which it learnt such fact, otherwise the right shall expire,

(e) **by refusal to provide the insurance claim payment** should the insurer after the insured event learn that it has been caused due to a fact which the insurer could not ascertain due to knowingly false or incomplete answers provided when arranging the insurance and which was essential for the conclusion of the insurance policy, it shall be entitled to refuse to provide the insurance claim payment; upon refusal to provide the insurance claim payment, the insurance shall be terminated,

(f) for **non-payment of the premium** where the premium:

- (i) for the first insurance period or one-off premium has not been paid within three months of the due date;
- (ii) another insurance period has not been paid for within one month of the date of delivery of the insurer's call for its payment, where the premium has not been paid before the delivery of such call. The insurer's call must contain a notice that the insurance would expire if the premium is not paid.

The same shall also apply if only part of the premium has been paid.

(g) **by termination of the insured / termination of the business of the insured,**

- (ga) in case of legal entities which are entered in a statutory register, upon deletion from such register;
- (gb) in case of legal entities which are not entered in any statutory register, upon the date of dissolution of the legal entity by the founder;
- (gc) in case of sole traders - natural persons who are entered in a statutory register, upon the date of deletion from such register,
- (gd) in case of sole traders - natural persons not entered in a register, upon the date of cancellation of the business authorization,

(h) **if the purpose for further insurance is no longer applicable**, i.e. termination of the insured thing (e.g. total destruction (total damage), theft thereof),

(i) **by changing the owner of the insured thing as well as by changing the administration of the thing or its use**; in case of insurance of a set of things, the insurance shall terminate only in respect of the thing which has ceased to be part of the set; this is without prejudice to Article 12, para. 4 of these VPP-SME,

(j) the other reasons for the termination of the insurance given by the generally binding regulations are without prejudice to the provisions of this Article.

Article 5 Premium

1. The premium is the contractually agreed price for the insurance cover provided by the insurer within the scope agreed in the insurance policy. The amount of the premium is determined by the insurer. The premium shall be paid by the policyholder in the amount and due dates agreed in the insurance policy. The amount of the premium, its due date and the amount of the premium instalment should the

payment of the premium be in the form of instalments must be stated in the insurance policy.

2. The part of the term of the insurance for which the premium is paid is called the insurance period.
3. If during the insurance period there is a change in the facts on the basis of which the premium was determined, the insurer shall be entitled to adjust the amount of the premium on the date of this change, even retroactively as of the date of such change.
4. The insurer shall have the right to premium for a time interval defined by the start and termination of the insurance. If the insurance is terminated prior to the expiry of the insurance period for which the premium was paid, the insurer shall be obliged to return the remaining part of the paid premium. In the event of occurrence of an insured event making thereby the purpose for further insurance no longer applicable (e.g. theft, destruction of the insured thing), the insurer shall be entitled to the premium due by the end of the insurance period in which the insured event occurred.
5. Any premium is deemed to have been paid on time if credited to the insurer's bank account in the exact amount no later than on the due date with the correct variable symbol assigned to the insurer.
6. The payment of the premium for the insurance period may be agreed in the insurance policy in semi-annual or quarterly instalments. If in the insurance policy the payment of the premium has been agreed in the form of instalments, non-payment of any instalment of the premium shall cause the premium owed by the end of the insurance period to become due in full on the day following the due date of such premium instalment, provided that the insurer exercises this right by the due date of the next premium instalment.
7. The policyholder and/or the insured is obliged to pay the premium in the manner agreed in the insurance policy. Unless agreed otherwise in the insurance policy, the premium is payable on the first day of the insurance period. If the policyholder and/or the insured is in default of the payment of the premium, the insurer shall have the right to:
 - (a) claim default interest of the premium for each day of the default in accordance with the law,
 - (b) reimbursement of costs incurred in connection with the delivery of documents relating to the payment of the due premium;
 - (c) deduct from the amount of the insurance claim payment the amount corresponding to the premium due, including default interest.

Article 6

Insurance claim payment

1. The insurance claim payment is a monetary performance which is in the case property insurance provided by the insurer to the insured and in the case of liability insurance to the aggrieved party for an insured event which resulted in the right of the insured to the insurance claim payment. The insurer provides insurance claim payment in the currency applicable in the territory of the Slovak Republic. When converting a foreign currency into a currency applicable in the territory of the Slovak Republic, the exchange rate of the

European Central Bank applicable on the day of occurrence of the insured event shall apply.

2. The remains of the damaged or destroyed insured thing shall remain in case of property insurance the property of the insured and in case of liability insurance the property of the aggrieved party.
3. The amount of the insurance claim payment provided shall be reduced by the amount of the remains referred to in paragraph 2.
4. The insurance claim payment is payable within 15 days after the end of the investigation of the insurer necessary to determine the extent of the insurer's obligation to provide the insurance claim payment and the determination of the amount thereof.
5. The insurer shall pay the insured the so-called advance payment of the insurance claim payment within 10 days of the date on which the insurer's ongoing investigation proves the occurrence of the insured event giving rise to the right of the insured to the insurance claim payment. The amount of the advance payment of the insurance claim payment is 20% of the pre-determined value of the insurance claim payment.

However, should the further investigation prove or should it be proved after its conclusion that the insured was not entitled to the insurance claim payment or the amount of the advance payment of the insurance claim payment provided exceeds the stipulated total insurance claim payment, the insured shall be obliged to return the insurance claim payment provided or such part thereof which the insured is not entitled to.
6. Where the insured causes a rise in costs of the insurer by making the decisive facts be necessary to be ascertained again or causes by delayed notification of the insured event the insurer to be unable to provide compensation in time, the insurer shall be entitled to apply a penalty amounting to the costs incurred.
7. The insurer shall have the right:
 - (a) to deduct from the insurance claim payment the amount corresponding to the owed premium and other due receivables of the insurer;
 - (b) to appropriately decrease the insurance claim payment for conscious breach of the obligations set forth in these VPP-SME, in the special insurance terms and conditions, supplementary insurance terms and conditions, contractual arrangements and the insurance policy, where such breach had a material effect on the occurrence of the insured event or on the increase of the extent of its consequences; depending on the effect of the breach of the obligations on the scope of the insurer's obligation to provide the insurance claim payment.

8. The insurer shall not be obliged to provide the insurance claim payment of the insured event where the insured misleads the insurer about the circumstances relating to the occurrence of the right to the insurance claim payment and/or the amount thereof.
9. If as a result of a delayed notification of the damaging event the insurer is objectively not able to ascertain the cause of the damage and/or the extent thereof, the insurer is entitled to refuse to provide the insurance claim payment or to reduce the amount of the insurance claim payment by the amount of the insurance claim payment that could not be documented.
10. The insurer shall provide the insurance claim payment for the insured event suffered by the insured property, for any and all

subjects of insurance stated in Art. Scope of the insurance of the OPP-SME-B and OPP-SME-HV altogether, up to a maximum amount of EUR 4,000,000.00.

Article 7 Franchise

1. Franchise is the value agreed in the insurance policy or specified in the relevant insurance terms and conditions, up to the amount of which the insurer does not provide any insurance claim payment for a single insured event. The franchise may be stated as a fixed monetary amount, a percentage, a period, or any combination thereof.
2. The insurer shall not provide any insurance claim payment where the total insurance claim payment (i.e. the amount of the insurance claim payment before deducting the franchise) does not exceed the agreed franchise. Where the total amount of the insurance claim payment (i.e. the amount of the insurance claim payment before deducting the franchise) exceeds the agreed franchise, the insurer shall provide the insurance claim payment without deducting the franchise.
3. Where the franchise is stated a period, the insurer shall provide the insurance claim payment only if the duration of the damaging event exceeds such period and without deduction of the franchise.

Article 8 Rescue costs

1. Rescue costs are reasonable and purposefully incurred costs incurred by the policyholder or the insured:
 - (a) to avert the occurrence of any imminent insured event,
 - (b) to mitigate the consequences of any insured event which already occurred,
 - (c) as a result of any legal obligation due to sanitary, safety or ecological reasons or reasons of public interest to clear away the insured thing or any remains thereof damaged or destroyed by the insured event,
 - (d) for the transport related to the repair of the insured thing damaged by the insured event to the nearest suitable repair shop; unless agreed otherwise in the insurance policy, these costs are covered by the insurer in case of transport of the thing within the territory of the Slovak Republic.

The sum of the provided insurance claim payment and reimbursement of costs referred to in points (a) to (d) shall not exceed the sum insured or the insurance claim payment limit of the insured thing to which such costs relate. The costs referred to in points (a) and (b) shall also include unsuccessful measures if appropriate to the circumstances.

2. The insurer shall upon a prior written consent reimburse the insured and/or the policyholder for reasonably and purposefully incurred costs incurred to ascertain the cause and extent of the damage to the insured property caused by the insured event up to the amount of 3% of the sum insured or the insurance claim payment limit of the subject of the insurance affected by the insured event. The sum of such costs incurred and the provided insurance claim payment may not exceed the sum insured or the insurance claim payment limit of the insured thing to which those costs relate.
3. The insurer shall not be obliged to reimburse the costs referred to in para. 1, of this Article incurred by the firefighting and rescue services, police or other entities which are by

operation of law obliged to act for the reasons of public interest.

4. The insurer shall be at any time obliged to reimburse in full amount the costs incurred as per its instruction in excess of the agreed sum insured or the insurance claim payment limit agreed for the insured thing.

Article 9 Expert proceeding

1. In the event of disagreement on the cause or extent of the damage suffered or on the amount of the insurance claim payment the insured and the insurer may agree that the same shall be determined in a so-called expert proceeding. The expert proceeding may be extended to cover also other circumstances and facts relating to the occurrence of the right to insurance claim payment. The insured may also require expert proceeding by a unilateral declaration made vis-à-vis the insurer.
2. Principles of the expert proceeding:
 - (a) each party shall designate in writing one expert without any obligations whatsoever vis-à-vis such party and shall without delay inform the other party thereon; the any objection regarding the other party's expert may be raised only until the commencement of the expert's activities,
 - (b) the designated experts shall agree on a third expert who shall have a decisive vote in the event of disagreement between the experts designated by each party;
 - (c) the experts designated by the insured and the insurer shall independently of each other draw up their expert opinions on the issues in question;
 - (d) the experts shall submit their expert opinions to both the insured and the insurer; if the expert opinions differ from each other, the insurer shall forward both opinions to the expert with the decisive vote; the expert with the decisive vote shall decide on the disputed and shall submit his decision to the insured and the insurer,
 - (e) each party shall bear the costs of its designated expert, the costs of the expert having the decisive vote shall be borne by the parties equally.

If the expert opinions prepared by the experts designated by the parties concur to the benefit of the insured, the insurer shall reimburse the costs incurred by the insured in connection with the expert designated by the insured up to the amount of EUR 500 per one insurance period.

3. The expert proceeding shall be without prejudice to the rights and obligations of the insured and the insurer laid down by law, these general insurance terms and conditions, the special insurance terms and conditions, the supplementary insurance terms and conditions, the insurance policy, and the contractual arrangements.

Article 10 Obligations of the insurer, policyholder, and the insured

1. In addition to the obligations laid down by the law, **the insurer** is obliged:
 - (a) to notify the policyholder of the terms and conditions of insurance relating to the insurance being arranged;

- (b) upon notification of the insured event, without undue delay, initiate the investigation necessary to determine the extent of its obligation to provide the insurance claim payment as well as the amount of thereof;
 - (c) upon receipt of all documents and other necessary essentials, including documents prepared by any third party (e.g. expert opinion, firefighters' report), documents and information necessary to end the investigation necessary to determine the extent of the insurer's obligation to provide the insurance claim payment and the amount thereof to end this investigation within fifteen business days,
 - (d) to return to the policyholder or to the insured any original documents if the return thereof is requested and if these documents do not form any essential part of the file on the insured event,
 - (e) to allow the policyholder or the insured at a pre-determined date to inspect the file regarding to its damaging event or insured event; upon written request to provide the policyholder with a copy of the documents from the file on the damaging event or the file on the insured event, the costs of which are to be borne by the policyholder,
 - (f) to maintain confidentiality of any facts which it has learned of in the course of insurance negotiations, insurance management and insured events investigations; it may disclose this information to third parties only with the consent of the policyholder or of the insured if necessary for the insurance management or investigation necessary to determine the extent of the insurer's obligation to provide the insurance claim payment and the amount thereof,
 - (g) to pay a reasonable advance payment to cover the costs of legal representation in the event of a claim covered by the insurance, if requested by the insured.
2. In addition to the obligations laid down by the law, **the policyholder and the insured** are obliged:
- (a) to answer fully and truthfully any and all written questions of the insurer including e-mail communication and completion of questionnaires relating to the insurance being arranged;
 - (b) to allow the insurer or any persons authorized by the insurer to enter the insured buildings and premises and thereby enable them to assess the insured risk, to examine the functionality and operation of devices used for protection of property; further, they are also obliged to submit to the insurer or any persons authorized by the insurer any project, fire-protection or fire-performance, flood-protection, accounting and other similar documentation for inspection,
 - (c) without any delay to notify the insurer in writing of any change in the particulars which formed the basis for the conclusion of the insurance policy, in particular, any changes in the insured's operating activities, type and extent of the insured risk, insurance value of the insured property, place of insurance, devices used for protection of property;
 - (d) to keep accounting records of the insured property specified in the insurance policy and keep such records in such a way that in the event of any insured event it cannot be damaged, destroyed, lost, or stolen together with the insured property,
 - (e) to maintain the insured property in good technical condition, to comply with the provisions of technical standards and regulations, generally binding legal regulations, VPP-SME, the special insurance terms, and conditions related to the insurance concluded, the supplementary insurance terms and conditions and contents of the insurance policy,
 - (f) if the insured is a person other than the policyholder, the policyholder is obliged immediately after the conclusion of the insurance policy to notify the insured of the contents of these VPP-SME, OPP-SME and DPP-SME relating to the agreed insurance and the insurance policy,
 - (g) to ensure that the insured event does not occur and adopt appropriate measures to prevent its occurrence,
 - (h) to notify the insurer in writing of any change in the insurance value of the insured thing, set or selection of insured things; if increased during the duration of the insurance by more than 10%,
 - (i) notify the insurer that it has taken out another insurance with another insurer with an insurance covering the same property and insured risks including any information on the amounts of sums insured, insurance claim payment limits and the business name of the insurer with whom the another insurance has been taken out;
 - (j) the policyholder is obliged to pay the premium pursuant to Article "Premium" of these VPP-SME;
 - (k) the insured may not, without the insurer's consent, accept or acknowledge any liability for any damage, to enter into any court settlement or voluntarily provide any "damages", except for expenses necessary to prevent the increase of extent of damage or to decrease the extent of damage or costs, if any, necessary to prevent any further damage;
 - (l) to leave to the insurer the choice of any legal representative and conducting any legal proceedings in all cases where costs are borne by the insurer,
 - (m) to notify without any delay the insurer of any event that is or could be associated with the insured's liability for damage and which could in the future impose an obligation on the insurer to provide the insurance claim payment.
3. In the event of any damaging event, **the insured** is obliged:
- (a) immediately notify the insurer of the occurrence of damage and within 5 days at the latest submit this notification in writing;
 - (b) to adopt appropriate measures to mitigate the consequences of any damage and seek for the insurer's instructions and comply with them,
 - (c) not to alter the condition caused by the damage without the consent of the insurer, unless this is necessary to avert or mitigate the consequences of the damage or in violation with the general interest; at the same time, the insured is obliged to gather sufficient evidence of the extent of the damage and the cause of the damage, for example by means of an investigation by the police or other investigative bodies, photographic or film records,
 - (d) to notify without any delay the police of any damage that has occurred in circumstances giving rise to the suspicion of a criminal offense and to allow the insurer access to the police investigation file,

- (e) to notify without any delay the insurer of the finding of any insured things or any remains thereof if lost or stolen on the occasion of any insured event; upon take-over of these things or any remains thereof the insured is obliged to repay an amount corresponding to their amount of the provided insurance claim payment no later than 30 days from the date of their finding; if the insured things were damaged during the period from the insured event up to their finding, the insurer shall pay the costs of repair of such damaged insured thing as in the event of the insured event,
- (f) to initiate without any delay redemption or other similar proceedings for paper-form securities, savings book and check books, payment cards, valuables and other similar documents that have been destroyed, lost, or stolen during any insured event;
- (g) to ensure vis-à-vis others the right to compensation for any damage or other similar rights and to assert the right to damages vis-à-vis the person liable for such damage.
4. Where a claim for damages is asserted against the insured in court or outside the court, **the insured** is obliged:
- (a) to notify without any delay the insurer of this fact;
- (b) to ensure vis-à-vis others the right to compensation for any damage or other similar rights and to assert the right to damages vis-à-vis the person liable for such damage, whereas should the insured fail to meet the obligation to ensure the insurer the opportunity to assert the right passed onto the insurer, then the insurer shall be entitled to claim compensation up to 50% of the provided insurance claim payment or shall have the right to decrease the insurance claim payment by this amount,
- (c) to use all available legal means to defend against such claim asserted; the insured shall provide with the insurer with assistance, they shall fully cooperate and shall provide the insurer with any and all information reasonably requested by the insurer, which is a condition for the insurer's obligation to compensate the insured for any damage;
- (d) to appeal in time against any decision of the competent authorities on damages no matter how detrimental for them, unless otherwise agreed with the insurer;
- (e) where the claim for damages is not covered by this insurance, then any and all costs of legal representation incurred by the insurer hitherto must be reimbursed to the insurer, and the costs of legal representation must be reimbursed to the insurer even if such costs must be under the final and lawful decision paid by counterparty.
5. Other obligations of the insured may be stipulated in the OPP-SME, DPP-SME or in the insurance policy.

Article 11

Consequences of breach of obligations

1. Where the policyholder, the insured, or the beneficiary knowingly or as result of consumption of alcohol, addictive substances, or the misuse of medical drugs breaches one or more obligations resulting from these VPP-SME and such breach shall significantly contribute to the occurrence of the insured event or increase the extent of the consequences of the insured event, the insurer shall be entitled to decrease the insurance claim payment adequately, depending on the effect

of this breach on the scope of the insurer's obligation to provide the insurance claim payment.

2. Where the insured frustrates the opportunity or fails to provide the insurer with the necessary or required assistance to enable the insurer to exercise its right to damages vis-à-vis a third party or where the consequences of such conduct occur only after the insurer has provided the insurance claim payment, in addition to the right referred to in paragraph 1 of this Article, the insurer shall also have vis-à-vis the insured the right to repayment of the insurance claim payment or any part thereof.
3. Where as a result of a breach of any obligation the insurer suffers any damage or the insurer incurs unnecessary costs (e.g. litigation costs), it shall have vis-à-vis the policyholder or the insured who caused such damage or unnecessary costs the right to compensation.
4. If the policyholder is in default of the payment of the premium, the insurer shall have the right to:
- (a) claim default interest of the premium for each day of the default in accordance with the law,
- (b) reimbursement of costs incurred in connection with the delivery of documents relating to the payment of the due premium;
- (c) deduct from the amount of the insurance claim payment the amount corresponding to the premium due, including default interest.

Article 12

Definitions

1. **Net financial loss** is any monetary loss which is not a direct outcome or result of physical damage to or destruction of the insured property (i.e. any damage which is not preceded by physical damage or destruction of the insured property or thing).
2. **Malware** is any malicious software which is capable to spread itself without any knowledge of the user including computer viruses, worms, trojans, adware, spyware, etc.
3. **Refusal of the insurance claim payment** pursuant to Section 802, para. 2 of the Civil Code means any case where after the insured event the insurer learns that the insured event was caused by a fact which it could not ascertain due to knowingly false or incomplete answers when arranging the insurance, and which was essential for the conclusion of the insurance policy.
4. **The insured** is in the insurance policy indicated legal entity or natural person doing business (any natural person doing business as a sole trader pursuant to special regulations or as a self-employed farmer):
- (a) whose property or liability for damage is covered by the insurance, or
- (b) the person to whom the insurer is obliged to provide the insurance claim payment pursuant to the law or the insurance policy, either directly or with the consent of the insured specified in the insurance policy.

Any persons acting on behalf of the insured based on a mandate or a power of attorney who are responsible for their

actions pursuant to the law independently of the insured are not regarded as insured persons.

5. **Policyholder** is the person who has concluded the insurance policy with the insurer.
6. **Insured event** is any accidental loss event which, according to the relevant provisions of the insurance policy, entails the insurer's obligation to provide the insured with indemnity. A compensatory loss event is an event that occurs suddenly and unexpectedly at the place of insurance during the term of the insurance, which at the time the insurance policy is concluded, the insurer and the insured assume that it may occur, but it is uncertain whether it will occur at all.
7. **Insurance policy** is a written bilateral legal act, which gives rise to insurance for natural or legal persons.
8. **Insurer** means PREMIUM Insurance Company Limited, an insurance company acting in the territory of the Slovak Republic through its organizational unit PREMIUM Poistovňa, pobočka poisťovne z iného členského štátu.
9. **Damage to the insured thing** is a change in its condition which can be objectively removed by repair.
10. **Requisition** is official seizure, appropriation, confiscation of something in times of exceptional need (e.g. for the military).
11. **Loss of the insured thing** means any situation when the insured has beyond its control lost the opportunity to dispose of the insured thing.
12. **Damage** means any physical damage or destruction of the insured thing or material loss of the insured, which can be objectively quantified in monetary terms.
13. **Damaging event** is any incident involving occurrence of damage which may give rise to the right to insurance claim payment. As a single damaging event is also regarded any damaging result where a single cause gave rise to damage to several injured parties. If the cause of the damaging event and the damage arising therefrom is covered by the insurance coverage agreed in the insurance policy, such damaging event is classified as **Insured event**.
14. **Act of terrorism** means any act involving the use or threat of use of force or violence by any person or group(s) of persons, whether acting alone or on behalf of someone, or in connection with any organization(s) or government(s) committed by for political, religious, ideological, social or similar reasons, including the intention to influence any government and/or to intimidate the public or part of the public.
15. **Reduction of the insurance claim payment** means the right of the insurer to appropriately reduce the insurance claim payment in the event of any breach of the obligations set out in these VPP-SME, OPP-SME, DPP-SME or in the insurance policy, if such breach had a material effect on the occurrence of the insured event or the extent of the consequences of the insured event depending on the effect of the breach of obligations on the extent of the insurer's obligation to provide the insurance claim payment.
16. **Termination of the insurance** is the termination of the insurance policy or insurance.
17. **Destruction of the insured thing** is a change in its condition when the insured thing can no longer be used for its original purpose and cannot be restored to its original functional state. Destruction also means a condition where the repair

costs would exceed the cost of re-acquisition of the same thing or of a comparable type, kind, quality, and parameters.

Article 13

Method of handling complaints

1. The complaint may be lodged in any place of business of the insurer during the opening hours in person or in writing to the address: PREMIUM Poistovňa, pobočka poisťovne z iného členského štátu, Námestie Mateja Korvína 1, 811 07 Bratislava, Slovak Republic. The complaint may also be lodged electronically to: staznosti@premium-ic.sk. More detailed information on the place, method of lodging a complaint and on further procedure in handling thereof are provided on the insurer's website at www.premium-ic.sk.
2. The provisions of these VPP-SME regarding the insured shall also apply to the policyholder (if the policyholder is a person other than the insured) and/or to other beneficiary.

Any complaint shall be settled without undue delay, however within 30 days of its delivery at latest. If this is not possible due to the circumstances of the case, the complainant shall be informed on the reasons for the extension of the time limit for handling the complaint stating the expected date of the settlement of the complaint.

Article 14

Closing provisions

1. These VPP-SME form an integral part of the insurance policy and the parties may modify provisions hereof by agreement in the insurance policy.
2. The provisions of these VPP-SME relating to the insured shall also apply to the policyholder (if the policyholder is a person other than the insured) and/or to any beneficiary.
3. Any documents shall be delivered to the insurer, the policyholder, and the insured to their last known address of registered office or correspondence address of the policyholder and the insured if other than the address of registered office and the insurer has been notified thereof. Both the policyholder and the insured are obliged to notify the insurer without undue delay of any change of their address.
4. The insurer shall send any documents to the last known address of the policyholder or the insured. Any written document of the insurer addressed to the policyholder or the insured (hereinafter referred to as the "addressee") shall be deemed to have been delivered on the date 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 on the day of its deposition at the post office even if the addressee has never become aware of the deposition thereof. The same shall apply also in case if the document has been returned to the insurer as undelivered due to change of address which 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 on the day of such refusal.
5. 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) unless allowed by the form thereof or the method of delivery prescribed by law. The insurer,

however, shall be entitled to request the completion of these notifications in writing.

6. Any notification on any damaging event may be made 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 the damaging event also in writing on the prescribed form of the insurer.
7. Any and all documents for the delivery of which the signature of the policyholder is not necessary or the paper form of which is not required by law, these VPP-SME, the relevant OPP or by the insurance policy, or the nature of which allows it may be sent by the insurer electronically by e-mail and/or to the electronic mailbox at the central government portal. The policyholder is obliged to notify without undue delay any change in the e-mail address specified in the insurance policy and such change shall have effect on the date on which the notice has been delivered to the insurer. Any obligation to send a document to the policyholder electronically shall be deemed to have been met by sending it to the policyholder's e-mail address stated in the insurance policy or to the e-mail address notified by the policyholder pursuant to the previous sentence. The insurer shall not be liable for any malfunction of the e-mail address of the policyholder. The policyholder may at any time by telephone at the insurer's telephone number or in writing by letter delivered to the address of the insurer's registered office request the insurer to cancel the service of documents electronically and such request shall have effect upon receipt of the telephone notification or delivery of the written request to the insurer.
8. These VPP-SME enter into force on 20.07.2022.