

## Supplementary insurance terms and conditions for insurance of small-scale interruption of operation of sole traders and small-sized enterprises

### Article 1 Introductory provisions

1. These supplementary insurance terms and conditions for insurance of small-scale interruption of operation for insurance of small-scale interruption of operation (hereinafter referred to as the "DPP-SME-MPP") supplement the provisions of the VPP-MZ, OPP-SME-HV and form an integral part of the insurance policy, if the insurance policy so provides.
2. The insurance of small-scale interruption of operation (hereinafter referred to as the "insurance") shall be governed by the applicable provisions of the Civil Code, the VPP-MZ, OPP-SME-B, OPP-SME-HV, these DPP-SME-MPP and by the insurance policy.

### Article 2 Subject of the insurance

1. By way of derogation from Art. 2 Subject of the insurance of the OPP-SME-HV, the subject of this insurance are the following "Fixed costs":
  - (a) rent,
  - (b) instalments of bank loans and any interest thereof,
  - (c) energy costs not related to production volume,
  - (d) any mandatory premiums or pre-contracted premiums,
  - (e) leasing instalments,
  - (f) annual wages and salaries of employees, including contributions to the Social Insurance Agency,
  - (g) other fixed costs (e.g. marketing, advertising) contractually agreed in advance.
2. By way of derogation from Art. 2 Subject of the insurance of the OPP-SME-HV, "Extra costs" are also the subject of this insurance.
3. By way of derogation from Art. 2 Subject of the insurance of the OPP-SME-HV, "Rent loss" is also the subject of this insurance.

### Article 3 Insured risks

1. By way of derogation from Art. 3 Insured risks of the OPP-SME-HV, the insurance shall cover any damage caused by interruption or restriction (hereinafter referred to as the "interruption") of the insured's operation as a result of a damage to property.
2. Pursuant to these DPP-SME-MPP, damage to property means any damage, destruction or loss of an item serving the insured's operational activity if insurance of these items has been agreed with the insurer pursuant to the OPP-SME-B and/or the OPP-SME-HV if the damage occurred at the place of insurance due to risks that are not excluded in the OPP-SME-B and/or the OPP-SME-HV or in the insurance policy.
3. The insurance also covers the interruption of operation as a result of damage to property caused by firefighting, demolition, rescue, and cleaning works in connection with the events mentioned above in Art. 3 Insured risks of the OPP-SME-HV.

### Article 4 Insurance exclusions

1. The insurance shall not cover any damage caused and/or resulting from:
  - (a) the impact of the interruption of the operation on other undertakings or operations cooperating with or having any other business relationship with the insured,
  - (b) damage, destruction or loss of cash, securities and other valuables, accounting books, documents, plans, drawings, data carriers and files of any kind,

- (c) interruption of operation caused by destruction, damage, loss, or theft of any uninsured item.

2. The insurer shall not be obliged to provide the insured any claim payment for any aggravation of damage resulting from the interruption of the operation caused by:
  - (a) unusual events arising during the interruption of the operation,
  - (b) official measures restricting the resumption and operation of the undertaking,
  - (c) failure of the insured to ensure the timely recovery or re-acquisition of the destroyed, damaged, lost, or stolen items necessary for the performance of the operation of the insured business, including lack of funds;
  - (d) resumption of the interrupted operation to a greater extent than before the damage to property (e.g. renovation, rebuilding).

3. The insurance shall not cover any costs which do not have to be incurred during the interruption of the operation, in particular, spent on:
  - (a) raw materials, auxiliary and operational substances, technological energy and the costs of goods taken over, except for the costs incurred in maintaining the operation, the necessary fees for the offtake of energy of third parties,
  - (b) levies and taxes and export duties,
  - (c) transport and export costs, communication costs,
  - (d) premiums dependent on original turnover,
  - (e) royalties and inventor's fees dependent on the original turnover,
  - (f) costs unrelated to production, commercial or industrial operations, e.g. resulting from financial operations, land transactions, etc.,
  - (g) financial sanctions (fines, penalties, default interest, etc.) which the insured is obliged to pay as a result of failure to meet its obligations or breach of its obligations, delivery times or other obligations stipulated by generally binding regulations or contractual obligations of the insured,
  - (h) leasing instalments relating to property destroyed upon the occurrence of the damage to property for which the insurer has provided claim payment.

4. In addition, insurance shall not cover any costs incurred to mitigate any damage if upon incurring such costs:
  - (a) the insured receives benefits in excess of the indemnity period,
  - (b) financial resources have been created to cover costs not covered by this insurance,
  - (c) together with a recent claim payment, these exceed the sum insured or the claim payment limit, unless such costs are incurred based on the insurer's instruction.

5. The insurance does not apply to any interruption of operation as a result of damage to property – damage to buildings under construction, assembly facilities, construction site equipment and damage to any glazing and property during transport.

6. The insurance does not apply to depreciation of property which has been destroyed, lost, or stolen as a result of damage to property.

### Article 5 Insured value, claim payment limit.

1. The insured value regarding:
  - (a) "Fixed costs" are the estimated fixed costs that the insured would have incurred for a period of the same duration as the

indemnity period specified in the insurance policy had the interruption of the operation not occurred,

- (b) "Extra costs" are their estimated value incurred during the time duration of the interruption of the operation, however no longer than during the indemnity period,
- (c) "Rent loss" is the rent that the insured would have received for a period of the same duration as the indemnity period specified in the insurance policy had the interruption of operation not occurred,

- 2. In accordance with Art. 5 para. 6 of the OPP-SME-HV, this insurance is agreed with the claim payment limit which is determined by and for which the policyholder is responsible.

### **Article 6 Claim payment**

- 1. The insured's right to receive payment from the insurer (claim payment) arises if an insured event occurs.
- 2. The basis for determining the amount of the claim payment shall be the "Fixed costs" during the "Indemnity period".
- 3. In the case of the "Extra costs" insurance of additional increased operating costs, the insurance shall apply to the amount of additional increased operating costs incurred by the insured:
  - (a) with the insurer's consent,
  - (b) because the insured considered them necessary, but due to urgency the insured could not seek the prior consent of the insurer; in such a case, the insured is obliged to inform the insurer without delay of the measures taken and the costs associated therewith.
- 4. In the case of the "Rent loss" insurance, the insurance shall cover:
  - (a) loss of rent, and/or
  - (b) incurred increased operating costs.

The amount of the claim payment is calculated as follows:

- (a) regarding rent loss, the difference between the rent which the insured would have received had the operation not been interrupted and the rent which the insured received during the interruption of the operation,
- (b) regarding incurred increased operating costs, the amount of costs by which the rent loss has been prevented due to the increased operating costs.

- 5. In determining the amount of the claim payment due to the interruption of operation, all circumstances that would have a favourable or unfavourable effect on the insured's business before or after the interruption of the operation, or circumstances that could have affected the insured's business if the interruption of operation had not occurred, will be taken into account.
- 6. The total claim payment is limited by the claim payment limit for one and the sum of all insured events during one insurance period agreed for the insurance of interruption of operation, regardless of the number of insured events per insurance year.
- 7. If the cause of the interruption of the operation is theft and at the time of the theft of the insured item the security measures for the protection of the insured item against theft stipulated in the insurance policy were not observed, the insurer is entitled to reduce the claim payment resulting from the interruption of the operation in the same ratio as the value of the stolen insured item to the claim payment limit corresponding to the security measures taken for the protection of the insured item against theft stipulated in the insurance policy at the time of the theft of the insured item.
- 8. Any economic benefit resulting from the interruption of the operation during the indemnity period must be fairly taken into account, as the insurance must not lead to enrichment.

### **Article 7 Franchise**

- 1. Franchise is the value agreed in an insurance policy to the extent of which the insurer does not pay any claim in respect of the insured event.
- 2. The franchise is expressed in terms of a period of 3 days. Any other value of the franchise may be stipulated in the insurance policy.
- 3. The insurer shall provide the claim payment only if the duration of the damage exceeds the period specified in the insurance policy and without deducting the franchise.

### **Article 8 Obligations of the insured**

- 1. In addition to the obligations stipulated by law and the documents referred to in Article 1 of these OPP-SME-HV, the insured is obliged to:
  - (a) keep the accounts, carry out inventory checks and prepare the financial statements (profit and loss account, balance sheet) in accordance with the generally binding legal regulations,
  - (b) ensure that property inventories, financial statements, economic results and lease contracts for the previous three years are prepared in duplicate and are kept securely separated from each other so that they cannot be damaged, destroyed, lost or stolen in the same event.
- 2. In the event of damage to property which could result in interruption of the operation, the insured is further obliged to:
  - (a) make available to the insurer or to persons authorised by the insurer, in particular, all the property inventory books, annual financial statements, balance sheets, tax documents and all other documents relating to the business (operation) of the undertaking during the current financial year and the previous two years,
  - (b) allow the insurer to inspect the financial management and the implementation of the measures leading to the resumption of the interrupted operation,
  - (c) comply with the insurer's instructions, if any.

### **Article 9 Definitions**

- 1. **Indemnity period** is a period of 6 months for which the insurer provides claim payment due to the interruption of the operation during that period. The indemnity period starts at the moment of the damage to the property and ends:
  - (a) upon re-acquisition or repair of the property which has suffered the damage to property and which has caused the interruption of operation back to the condition immediately preceding the occurrence of the damage to property; in the event that a start-up operation (phase) is required to resume the interrupted operation, the indemnity period ends when the operation output is restored output to the state immediately before the interruption of operation,
  - (b) upon termination of operation or termination of activity of the insured,
  - (c) upon declaring bankruptcy over the insured's assets or upon dismissal of the bankruptcy petition due to lack of assets,
  - (d) upon expiry of the agreed indemnity period of 6 months,whichever of these events occurs first.
- 2. **Extra costs** are reasonable and economically incurred costs normally incurred at the place of the insured event incurred by the insured during the indemnity period in order to:
  - (a) resume the production, trading, and provision of services, and/or

(b) maintain the production, trading, and provision of services.

These include, for example, the costs of renting the business premises, production and operating facilities, services, relocation, informing customers, overtime work in order to resume the insured's activities, etc. Any costs having the nature of claim payment resulting from damage to property are not extra costs (e.g. the costs of repairing the property).

3. **Property insurance** means the insurance of buildings and movable property agreed in accordance with the OPP-SME-B and/or OPP-SME-HV.
4. **Interruption of operation** means interruption or restriction of operation as a result of damage to property.
5. **Fixed costs** are statutory and contractually documented costs that must be incurred during the interruption of operation and that the insured would have incurred even if the interruption of operation had not occurred. The costs that the insured would have not incurred had the interruption of operation not occurred are not fixed costs.
6. **Rent loss** is the difference between the rent the insured would have received had the operation not been interrupted and the rent the insured received during the interruption. Rent means the amount resulting from the lease of residential and non-residential premises (hereinafter referred to as "*real estate property*") less costs related to the ownership of real estate property, including maintenance and energy costs, which are not supplied during the interruption of the operation.
7. **Damage to property** means damage, destruction, loss or theft of property serving the insured's business activity within the premises of the insured operation for which the insurer is obliged to provide the claim payment resulting from the property insurance and which occurred at the place of insurance. Damage to property does not include any damage of an aesthetic nature which does not affect the functionality of the insured item.

## **Article 10** **Closing provisions**

1. The provisions of these OPP-SME-MPP applicable to the insured shall apply mutatis mutandis also to the policyholder (where the policyholder is a person other than the insured) and/or any other beneficiary.
2. The insurance policy may derogate from the provisions of these OPP-SME-MPP.
3. These OPP-SME-MPP shall enter into force on 01.07.2024.