

Supplementary insurance terms and conditions for insurance of machines, machinery and electrical equipment of sole traders and small-sized enterprises

Article 1

Introductory provisions

1. These Supplementary insurance terms and conditions for insurance of machines, machinery, and electrical equipment (hereinafter referred to as the "OPP-SME-TR") supplement the provisions of the VPP-MZ, the OPP-SME-HV and form an integral part of the insurance policy, if the insurance policy so provides.
2. The insurance of machines, machinery, and electrical equipment (hereinafter referred to as the "insurance") shall be governed by the applicable provisions of the Civil Code, the VPP-MZ, the OPP-SME-HV, these DPP-SME-TR and by the insurance policy.

Article 2

Insurance cover

By way of derogation from Art. 2 of the OPP-SME-HV:

1. The subject of the insurance may be machines, machinery, and electrical equipment:
 - (a) stationary,
 - (b) mobile:
 - mobile machinery and/or electrical equipment,
 - machinery and/or electrical equipment built-in on or in a vehicle or chassis,
 - mobile machinery, with axle(s) drive - category N, T, C, P, LS,
 - trailed or towed machinery - category O, R, Sowned by the insured, defined in the insurance policy as a set or specified in the insurance policy by individual items (selection).
2. The insurance covers machines, machinery, and/or electrical equipment owned by third parties only if used or have been taken over by the insured based on a written contract, however, not on the basis of an order or job order for the purpose of providing a service which is their authorized business (e.g. items taken over for repair).
3. The insurance shall cover the items referred to in para. 1 and 2 of this Article only if these are recorded in the accounting books or in any other obligatory records of the insured.
4. Where insurance of a set of things has been agreed upon, the insurance shall also apply to items which have become part of the insured set (which are included in the accounting records or any other mandatory records of the insured) after the conclusion of the insurance policy as at the date of their inclusion into the set. With respect to items which have ceased to be part of the insured set (they were excluded from the insured's accounting records or any other mandatory records), the insurance expires on the date of their removal from the set.
5. The insurance covers only machines, machinery, and/or electrical equipment and their accessories which:
 - (a) have impeccably passed the inspection, acceptance, and performance tests; and
 - (b) have been put into service in accordance with the applicable legislation and the manufacturer's instructions; and
 - (c) are properly maintained and used only for the purposes for which they are intended; and
 - (d) were demonstrably at the time of arranging the insurance and at the time of the insured event in an operable condition.
6. This insurance also covers data carriers installed in the control and/or regulation unit of the subject of the insurance, including the operating system which ensures the performance of the basic functions of the subject of the insurance, and which is supplied together with the subject of the insurance (hereinafter referred to as the "operating system").
7. The insurance shall not apply to:
 - (a) motor vehicles belonging to categories M and L,
 - (b) the chassis, axles, gearbox, engine, and cabin including the equipment of vehicles belonging to the categories N and O if the damage occurred while driving and not by the working activity of such vehicles,
 - (c) bicycles, or other two- or three-wheeled non-motorised vehicles or quadricycles propelled by human power or an auxiliary motor (e.g. scooters, gyroboards, hoverboards, etc.),
 - (d) vessels, rolling stock, aircraft, or other devices capable of movement in the atmosphere,
 - (e) cardiac pacemakers, hearing aids,
 - (f) data except for the operating system in the terms of Article 2 para. 2 of these DPP-SME-TR,
 - (g) public distribution systems of electricity, gas, water, and heat and public electronic communication networks,
 - (h) any damage caused during works in quarries, underground works, or tunnel works,
 - (i) endoscopes, gastroscopes, ultrasound equipment, mobile phones, laptops, cameras, video cameras,
 - (j) machines, machinery, and/or electrical equipment leased or rented,
 - (k) machines, machinery, and/or electrical equipment used during the following activities:
 - manufacture of pulp, paper, paperboard, and products thereof,
 - wood processing, manufacture of wood products,
 - manufacture of plastic products,
 - collection, processing, disposal, and management of waste,
 - production, transmission, distribution, supply of electricity, gas, steam or cold air,
 - operation of automatic and self-service car wash.
8. If, due to the same cause, the damage or destruction of the subject of the insurance, for which the insurer is obliged to provide claim payment, does not occur, the insurance shall not cover:
 - (a) parts, tools, and other components of the subject of the insurance, which are replaced when the work operations are changed (e.g. cutting tools, dies, case moulds, moulds, punches, engraved and patterned cylinders, etc.),
 - (b) parts and other components of the subject of the insurance which are replaced periodically because of their rapid wear or aging (e.g. hoses, gaskets, rubber or plastic linings, belts, chains, straps, ploughshares, replaceable working parts of agricultural, construction, and woodworking machinery, brushes, tyres, ropes, wires, sieves, working parts of crushers, stone or concrete buckets, cables, batteries, fuses, light sources, etc.),
 - (c) brickworks, claddings, and coatings (coverings) which, according to experience are to be replaced several times during the lifetime of the subject of the insurance (particularly in the case of furnaces, fireplaces, or other heat-generating installations, steam-generating installations),
 - (d) foundations, frames, anchors, and bases, if they are not part of or an accessory to the subject of the insurance,
 - (e) parts of the subject of the insurance for sliding and rolling bearings for direct and rotary motion (e.g. bearings, pistons, cylinder liners, etc.),
 - (f) glass and ceramic parts of the subject of the insurance, except for automotive glass and work machine glass,
 - (g) damage to wiring and optical fibres.

Article 3 Insured risks

By way of derogation from Art. 3 para. 3 of the OPP-SME-HV:

1. Any of the following "listed" events (insured risk), Technical Risks group, may be a "contingency":
 - (a) operational causes:
 - (aa) failure of measuring, control, regulation or safety equipment or systems,
 - (ab) physical explosion, lack of water, oil or lubricants,
 - (ac) overheating, crash, centrifugal forces,
 - (b) human factors:
 - (ba) unwilful negligence,
 - (bb) operator error,
 - (bc) faulty operation,
 - (c) manufacturing error:
 - (ca) defective material or product,
 - (cb) defective construction, defective design, defective calculation,
 - (cc) assembly or workmanship defect,
 - (d) electrical causes:
 - (da) short circuit in the electric motor,
 - (db) overvoltage, undervoltage,
 - (dc) indirect lightning strike.
2. The insurance covers any damage or destruction of the subject of the insurance during its:
 - (a) operation,
 - (b) pause in operation,
 - (c) relocation within the place of insurance,
 - (d) dismantling for the purpose of cleaning, maintenance, or relocation within the place of insurance and subsequent reassembly

as a result of any contingent damage-causing event which by law and documents referred to in Art. 1, par. 1 of these DPP-SME-TR is not excluded from the insurance and is associated with the obligation of the insurer to provide claim payment.
3. The insurance does not cover damage to the subject of the insurance directly or indirectly caused or originated by:
 - (a) insufficient use, long-term storage, or improper maintenance of the subject of the insurance,
 - (b) use of the subject of the insurance in conflict with the instructions of the manufacturer, technical conditions, or technical standards,
 - (c) loss, damage, destruction, malfunction, deletion, distortion, or modification of data of the subject of the insurance caused by malware,
 - (d) unauthorized access to the computer system,
 - (e) as a result of cavitation,
 - (f) damage to the appearance and aesthetic imperfections that do not affect the functionality of the subject of the insurance,
 - (g) costs incurred for the maintenance, standard care, and treatment of the subject of the insured machinery or costs incurred in connection with the removal of functional defects if such defects have not been caused by the insured event for which the insurer is required to provide a claim payment, i.e. costs that would have to be incurred even without the occurrence of the insured event.
 - (h) costs associated with the modification of the subject of the insurance in any manner,
 - (i) damage of any kind to the operational and auxiliary materials (e.g. fuels, oils, chemicals, filter masses, coolants, catalysers), except of oil and gas fillings of transformers,
 - (j) damage to the subject of the insurance while being transported as cargo.

Article 4 Territorial scope and the place of insurance

According to Art. 4 of the OPP-SME-HV.

Article 5 Insured value, sum insured, claim payment limit

According to Art. 5 of the OPP-SME-HV.

Article 6 Claim payment

1. If, as a result of an insured event, the following occurs:
 - (a) destruction of the subject of the insurance, then the insurer shall provide the claim payment in the amount corresponding to the costs incurred in connection with the re-acquisition of the subject of the insurance, however, up to the maximum amount of the time value of the subject of the insurance at the time imminently prior to the occurrence of the insured event,
 - (b) damage to the subject of the insurance, then the insurer shall provide the claim payment in the amount of reasonably and efficiently incurred costs necessary for the repair of the subject of the insurance which are standard in the place and at the time of occurrence of the insured event; if the actual technical condition of the subject of the insurance determined in accordance with generally binding legal regulations is lower than the residual percentage of serviceability of the item determined or set forth in these regulations, the insurer shall provide the claim payment up to the maximum amount of the time value at the time immediately prior to the occurrence of the insured event.

These costs shall also include the costs incurred for:

- (ba) transport of the damaged subject of the insurance or the damaged part thereof into the repair shop and back,
- (bb) dismantling and assembly of the damaged subject of the insurance,
- (bc) customs and any other fees if these have been included in the sum insured of the damaged subject of the insurance,
- (bd) temporary repair of the damaged subject of the insurance, however, provided that such costs have been included in the total repair costs and do not increase the total claim payment.

If the total costs under point (b) exceed the time value of the subject of the insurance at the time imminently before the occurrence of the insured event, the insured item shall be deemed to have been destroyed and the procedure under point (a) of this paragraph shall be observed.

2. If only the operating system has been destroyed or damaged, the insurer shall provide the claim payment in the amount of the costs necessary to be incurred for:
 - (a) the restoring of the operating system to the state prior to the occurrence of the damage. or
 - (b) re-installation of the operating system, with an annual claim payment limit in the amount of EUR 1 000; these costs do not include the value of the operating system.
3. If the components required for the repair of the damaged subject of the insurance are no longer available on the market and may not be sufficiently substituted, the subject of the insurance shall be deemed to have been destroyed and the insurer shall provide the claim payment in the amount of the time value of the damaged subject of the insurance at the time of the occurrence of the insured event.
4. If, during the damage to or destruction of the subject of the insurance, any of the items under Article 2 paragraph 8 of these DPP-SME-TR has been damaged, the insurer shall provide the claim payment up to the amount of the time value of such item.

Article 7

Obligations of the insured

1. In addition to the obligations laid down by law and in documents referred to in Article 1 of these DPP-SME-TR, the insured is obliged to:
 - (a) ensure the operation or management of the subject of the insurance by a person having the required qualification or authorization, or by a person demonstrably trained in the operation or management of the subject of the insurance,
 - (b) in the event of an insured event, retain all damaged parts of the subject of the insurance until the insurer has given its consent for their removal.

Article 8

Definitions

1. **Bicycle** is a non-motorised means of transport with two consecutive wheels attached to a frame, propelled by human power or equipped with an auxiliary motor in accordance with the applicable legal regulations
2. **Data** means machine-readable information and software stored on data carriers.
3. **Data carrier** is a data memory designed for the storage of machine-readable data.
4. **Electrical equipment (electronics)** is equipment, which predominantly uses electrical energy and electronic elements for their function.

Electrical equipment (electronics) may be:

- a) **mobile** - electrical equipment the normal working operation of which is carried out at different locations and may normally be carried or moved to the place of work (e.g. in a case or bag, by means of built-in wheels, etc.) - e.g. medical and computing equipment (pressure gauges, endoscopes, notebooks, laptops, etc.), consumer electronics (video cameras, cameras, mobile phones, etc.),
 - b) **stationary** - electrical equipment fixed mechanically to a building or other structure, which cannot be dismantled without the use of tools, or electrical equipment with a fixed position, which is not intended to be carried or moved,
 - c) **built into mobile machinery** - electrical equipment fixed mechanically to mobile machinery which cannot be dismantled without the use of tools.
5. **Europe** for the purposes of extending the territorial coverage, shall mean the geographical territory of Europe, i.e. the territory of the Slovak Republic and European countries, excluding the territory of countries subject to sanctions or restrictions under the Sanction Clause stipulated in the insurance policy.
 6. **European Union (EU)** for the purposes of extending the territorial coverage, shall mean the territory of the countries of the European Union and Andorra, Liechtenstein, Monaco, San Marino, Switzerland, and the Vatican.
 7. **Value:**
 - (a) **time** value is the fair value less the value corresponding to the amount of wear and tear of the item (technical value) and is the price the item was worth immediately before the insured event.
 - (b) **fair** value is the value that is necessary at the time and in a given place to incur to re-acquire the same new item or an item of comparable kind, quality, characteristics, or performance, including the costs of its acquisition (transport, installation, commissioning, and customs and other charges).
 8. **Cavitation** is a hydrodynamic cavity formed in a liquid when there is a rapid local drop in ambient pressure. After the vacuum

which creates the cavitation disappears, cavitation ceases by implosion. Cavitation occurs in technical devices moving rapidly in a liquid (e.g. on propeller blades, turbine blades, in pumps, in pipe bends).

9. **Operable condition** is the condition of the equipment in which, after successful completion of testing and acceptance tests, it is capable of performing the functions and maintaining the values of the design parameters within the limits specified in the technical documentation or by the manufacturer.
10. **Computer system** consists of hardware, operating system, and application software (other software of the equipment).
11. **Damage** is such damage that can be remedied by repair, the costs of such repair not exceeding the amount corresponding to the time value of the machine, machinery, and/or electrical equipment at the time immediately prior to the occurrence of the insured event.
12. **Accessories** are auxiliary equipment, auxiliary devices, and means which are technically indispensable for the operation of machines, machinery and/or electrical equipment according to their purpose. Any data shall not be considered as accessories.
13. **Machine** is a technical device consisting of interconnected parts, components, and mechanisms that convert supplied or stored energy into a desired effect.

A machine may be:

- (a) **movable** – a machine with its design and equipment intended to carry out work activities other than for use in road traffic, which is either self-propelled or towed, or carried without its own source of propulsion. A mobile machine is also a working machine approved for use in road traffic.
 - (b) **stationary** - a machine mechanically attached to a building or other structure, and which cannot be dismantled without the use of tools, or a machine having a fixed position and not designed to be carried or moved.
14. **Machinery** are machines, devices, or sets of machines which have an individual technical-economic purpose, and the performance of their operational-technical functions is specified by their manufacturer, importer, or seller (e.g. production lines, flexible production systems, etc.). Machinery may also contain electronic components.

Machinery may be:

- (a) **mobile** - machinery the normal working activity of which is carried out in different places, and which is normally carried or moved to the place of work (e.g. in a case or bag, by means of built-in wheels, etc.), e.g. hand tools, measuring instruments, garden machinery, etc,
 - (b) **stationary** - machinery firmly mechanically connected to a building or structure which cannot be dismantled without the use of tools or machinery with a fixed position which is not designed to be carried or relocatable.
 - (c) **built into a movable machine** - machinery fixed mechanically to mobile machines which cannot be dismantled without the use of tools.
15. **Malware** is a software that may spread itself without the knowledge of the user including computer viruses, worms, Trojan horses, adware, spyware, etc.
 16. **Maintenance** means a sum of activities ensuring the technical capability, serviceability, economy, and safety of the operation of a machine, machinery, and/or electrical equipment. These activities consist, in particular, of regular and preventive inspections, treatments and adjustments, compliance with lubrication schedules, and timely replacement of worn parts or groups and parts of machines, machinery, and/or electrical equipment, all in accordance with the applicable regulations, provisions or instructions given by the manufacturer.

17. **Physical explosion** is an explosion in the combustion chamber of combustion engines or other devices in which the energy of the explosion is purposely harnessed.
18. **Destruction** is a degree of damage that cannot be repaired, and when the machine, machinery, and/or electrical equipment can no longer be used for its original purpose. Destruction shall also be deemed to be any damage that can be repaired but the repair costs of which would exceed the time value of the machine, machinery, and/or electrical equipment at the time immediately before the insured event.

Article 10

Closing provisions

1. The provisions of these OPP-SME-TR 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-TR.
3. These OPP-SME- TR shall enter into force on 01.07.2024.