

Special insurance terms and conditions for insurance of movable property of sole traders and small-sized enterprises

Article 1

Introductory provisions

1. These Special Insurance Terms and Conditions for insurance of movable property (hereinafter referred to as the "OPP-SME-HV") supplement the provisions of the VPP-MZ and form an integral part of the insurance policy, if so provided for in the insurance policy.
2. The insurance of movable property (hereinafter referred to as the "insurance") shall be governed by the applicable provisions of the Civil Code, the VPP-SME, these OPP-SME-HV the DPP-SME, if these form part of the insurance policy, and by the insurance policy.

Article 2

Subject of the insurance

1. The insurance provides cover for movable property or stock specified in the insurance policy which is owned by the insured or for individual movable property or stock owned by the insured and specified in the insurance policy on an item-by-item basis (selection).
2. The insurance covers movable property or stock owned by a legal or natural person doing business provided that these are recorded in the insured's accounting records or, as the case may be, in other operational records of the insured under the generally binding legal regulations.
3. The insurance applies also to movable property or stock owned by third parties only if these are used or have been taken over by the insured based on a written contract or job order for the purpose of providing a service which is their authorized business.
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 also covers:
 - (a) personal belongings of employees up to the amount of EUR 200 per employee, and in addition
 - (b) other belongings of employees brought in the place of insurance at the request or with the consent of the employer in connection with the performance of work duties total up to the amount of EUR 1 000 as per all employees.

The insurance of employees' belongings does not apply to stamps and vouchers, valuables, cash, and items excluded under para. 10 of this Article.

6. The insurance also covers "Supplementary subjects of insurance":
 - (a) costs of removal of damaged movable property and stock (removal costs),
 - (b) costs of removal of undamaged movable property and stock,
 - (c) costs of repair or reinstallation of firmly embedded or mounted glass,

- (d) stamps and vouchers, valuables, and cash in vaults located in the place of insurance.
- (e) stamps and vouchers, valuables, cash in transit,
- (f) works located in the place of insurance.
- (g) exhibition models located in the place of insurance,
- (h) data recovery costs,
- (i) costs of replacing locks,
- (j) return of VAT to the State budget of the Slovak Republic,
- (k) any other "Supplementary subject of the insurance" if set forth in the insurance policy.

For the "Supplementary subjects of insurance" under para. 6 of this Article, a default claim payment limit of up to EUR 2 000 is agreed.

This claim payment limit shall apply to the respective "Supplementary subjects of insurance" or to groups of these "Supplementary subjects of insurance" according to the agreement stipulated in the insurance policy.

Higher claim payment limits for the "Supplementary subjects of insurance" may also be agreed upon in the insurance policy.

7. The insurance also covers movable property and stock in transit up to the claim payment limit of EUR 2 000 within the basic premium and according to the terms and conditions of DPP-SME-MPP.
8. The insurance also covers damage caused by minor interruption of operations (fixed costs + extra costs) as a result of an insured event, up to the claim payment limit of EUR 2 000 within the basic insurance premium and according to the terms and conditions of the DPP-SME-MPP.
9. The insurance does not cover:
 - (a) motor vehicles, motor vehicle trailers which are manufactured or approved for the purpose of their operation in traffic on roads and are subject to registration in the vehicles register, except for those registered as stock or except for mobile machinery of categories N, T, C, P, LS and towed or trailed machinery of categories O, R, S,
 - (b) vessels, rolling stock, aircraft, or other equipment capable of movement in the atmosphere,
 - (c) animals, protozoa,
 - (d) plants, algae, fungi,
 - (e) items stowed in the building at the time of construction, installation, or reconstruction works, in so far as the construction, installation, or reconstruction works carried out had any effect on the cause or increase in the extent of the consequences of the damage,
 - (f) software, electronic data, and other intangible assets,
 - (g) coin insertion machines or banknote insertion machines (including money-changing machines and money exchange machines), including their contents, as well as teller machines,
 - (h) movable property or stock placed in a fenced area, under shelters, or in open buildings, except for items which due to their nature (size, weight, durability, etc.) are usually placed in such places (building materials, metallurgical materials, heavy machinery, agricultural equipment, etc.) except for

stock of agricultural products and crops located outside the fenced area in the open air,

- (i) building units, containers, inflatable halls or tents, and movables or stock placed in such places;
- (j) items which are unused or unusable;
- (k) movable property or stock stored in the building or structure for which no final inspection permit was issued, is not used for a long time, or for which a demolition decision has been issued,
- (l) economic loss lost profits,
- (m) active media (e.g. fuels, lubricants, chemicals, filter media, coolants, catalytic converters), provided that their damage was not caused in a causal relationship with the insured event within the meaning of these OPP-SME-HV,
- (n) items rented or lent.

The insurance for the items referred to in this paragraph does not apply even if these are part of the insured set of items.

10. The insurance does not cover movable property or stock used in the operation of the following businesses:

- (aa) manufacture of wood pulp, paper, paperboard, and products thereof,
- (ab) wood processing, manufacture of wood products,
- (ac) manufacture of plastic products,
- (ad) collection, processing, disposal, and management of waste,
- (ae) production, transmission, distribution, supply of electricity, gas, steam or cold air,
- (af) operation of automatic and self-service car washes.

Article 3

Insured risks

1. The insurance covers any direct physical damage to the insured item caused by a contingency which is not excluded by the VPP-MZ, these OPP-SME-HV, DPP-SME, or by the insurance policy.

2. Any of the following "listed" events (insured risk) may be a "contingency":

(a) Risk group **Fire**:

- (da) fire,
- (db) direct lightning strike,
- (dc) explosion,
- (dd) crash or fall of a manned flying object,
- (de) crash or fall of an unmanned flying object.

(b) Risk group **Natural Forces**:

- (ba) hail,
- (bb) frost
- (bc) avalanche,
- (bd) weight of snow and ice,
- (be) flood,
- (bf) inundation,
- (bg) high winds,
- (bh) volcanic eruption,
- (bi) earthquake,
- (bj) landslide, rock, or earth collapse.

(c) Risk group **Theft**:

- (ca) theft,

(cb) robbery

(cc) indoor vandalism,

(cd) outdoor vandalism.

(d) Risk group **Water**:

(da) water from non-public distribution systems,

(db) atmospheric precipitation,

(dc) wastewater backflow,

(dd) water from aquariums, bathtubs, swimming pools or tanks,

(de) groundwater (rise in groundwater level),

(df) water from gutters and downspouts.

(e) Risk group **Additional**:

(ea) fall of trees, poles, and other objects,

(eb) aerodynamic blast,

(ec) implosion (negative pressure),

(ed) smoke,

(ee) collision of a motor vehicle driven by the insured,

(ef) collision of a motor vehicle driven by another person by a motor vehicle other than the insured,

(eg) breakage of glass,

(eh) wild animals.

11. The "contingency" may also be an event other than a "listed" event (paragraph 2 of this Article of these OPP-SME-HV), which is not further excluded in the VPP-MZ, in other paragraphs of these OPP-SME-HV, in the DPP-SME or in the insurance policy, the risk group **All Risks**.

12. The *All Risks* risk group does not cover damage to the insured item caused by technical risks:

(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.

The risk group All Risks also does not cover any damage to the insured item caused by:

- permanent effects of operation, natural or premature wear, aging, material fatigue,
- permanent exposure to moisture, dryness, atmospheric, thermal, chemical, electrical or mechanical effects,
- corrosion, erosion, rust, oxidation, cavitation, sediments of all kinds,
- normal atmospheric conditions, which must be taken into account according to the season and local conditions,
- natural features of items, regardless of any other contributory causes,
- malfunction or breakdown of the cooling equipment,
- solidification of the contents of the units holding the molten materials or concrete,

- failure or interruption of the supply of electricity, gas, water, or other medium,
 - defects in connection with repair, maintenance, reconstruction, modernization, testing and modifications,
 - the process of processing, machining, manufacturing, packaging, modification,
 - testing or commissioning,
 - plants, fungi, moulds, or similar organisms and any by-products or infestations arising therefrom (mycotoxins, spores, etc.),
 - wild animals in the indoor environment of the insured structure (e.g. by infestation, etc.),
 - genetic changes in animals or plants,
 - asbestos,
 - settling, cracking, shrinkage, bulging, expansion, or spontaneous collapse of the structure.
4. The insurance does not cover any damage for which the supplier or contracting party of the insured is legally or contractually liable including damage covered by the manufacturer's, contractor's, or service provider's warranty.
 5. The insurance covers damage, destruction, or loss of the insured item that occurred in a causal link with the contingency referred to in para. 2 and 3 of this Article of these OPP-SME-HV (consequential physical damage), for which the insured has incurred the right to receive claim payment.

Article 4

Territorial scope and the place of insurance

1. Unless otherwise specified in the insurance policy, the insurance shall cover insured items only if the damage to the insured item 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 agreed upon, the place of insurance is the place specified in the insured's accounting as the place of operation.
3. Where the insurance of subjects of insurance itemized and specified in the insurance policy (selection) is agreed upon, the place of insurance shall be the place specified in the insured's accounting as the address of the operation or cadastral area and plot (land) number where the subjects of insurance are located.
4. If at the time of the insured event, an unwillful error or unintentional omission is found in stating the address or the cadastral area and the plot number of the place where the subject of the insurance is located, the insurance shall also cover such places to the extent which the insurance would have provided in the absence of such unwillful error or unintentional omission.
5. With regard to any valuables, stamps and vouchers, and cash in transport, the place of insurance is the territory of the Slovak Republic, unless stated otherwise in the insurance policy.
6. By way of derogation from paragraphs 2 and 3 of this Article, the place of insurance shall be for:
 - a) mobile machinery, machinery and/or electrical equipment,
 - portable machinery and electrical equipment
 - machinery and electrical equipment incorporated in or on a vehicle or chassis,
 - mobile, trailed, and towed machinery,
 - b) movable property or stock taken over by an employee of the insured at the direction or with the consent of the employer for the purpose of carrying out their work duties off the place of operation,

the territory of the Slovak Republic, Czech Republic, Hungary, Austria and Poland.

If specified so in the insurance policy, the place of insurance for machinery, mobile machinery, and/or electrical equipment may also be the territory of the countries of:

- a) the EU, or
- b) Europe.

7. The insurance applies also to the place where the subjects of insurance were transferred from the place of insurance specified in the insurance policy for the necessary period due to an imminent or already occurring insured event. The insurance shall apply to this place from the date on which the insured items were transferred to this place only if the insured informed within 14 days the insurer thereof and at the same time provided the insurer with the address and list of transferred items.

Article 5

Insured value, sum insured, claim payment limit

1. The insured value is the value of the insured item at the time the insurance is agreed upon and shall be decisive for determining the sum insured.
2. The insured value may be:
 - a) fair value,
 - b) time value.

Unless provided for in the insurance policy otherwise, the insured value is the value referred to in point (a) of this paragraph.

3. The sum insured represents the upper limit of the claim payment for a single insurance period and serves as a basis for the calculation of the insurance premium. The sum insured shall be determined for individual subjects of insurance and should correspond to their insured value.
4. The insured sum shall be determined by the policyholder, who shall also be responsible for its accuracy.
5. If at the time of the occurrence of the insured event the sum insured of the insured item or set of items is lower than their insured value by more than 20%, the insurer shall have the right to reduce the claim payment in the same proportion as is the sum insured to the insured value of the insured item or set of items.
6. In the insurance policy, claim payment limits may be agreed upon for individual items of insurance, sets of items, selections of items, individual insured risks, or risk groups. This method of insurance and the amount of the claim payment limit must be expressly stated in the insurance policy; in the event of agreement on this method of insurance, the provision of paragraph 5 of this Article shall not apply.
7. In the event of insurance coverage for a set of items as specified in the insurance policy, the total sum insured or the total claim payment limit shall be the sum of the individual sums insured or claim payment limits for each item within such set.

The sum insured or the claim payment limit with respect to an individual insured item from a set of items shall be the upper limit of the claim payment for such item for a single and also for all insured events occurring within a single insurance period.

8. In the event of insurance coverage for a selection of items specified in the insurance policy the total sum insured shall be the sum of the sums insured applicable to the individual places of insurance. The total claim payment limit applicable to the selection of items specified in the insurance policy shall be the sum of the claim payment limits for a single place of insurance; for all places of insurance regarding the selection of items, the sum of the limits of all places of insurance shall be the upper claim payment limit.

In case of insurance of a selection of items of a particular place of insurance, the sum insured or the claim payment limit as specified in the insurance policy shall be the sum of the sums insured or the claim payment limits of the insured items

comprising the selection of items at this particular place of insurance.

The sum insured or claim payment limit of an individual insured item from a selection of items shall represent the upper claim payment limit for such item for a single and also all insured events occurring during a single insurance period.

9. The claim payment limit of the main subjects of insurance (movable property and stock) shall be agreed upon within the sum insured of the insured items and thus shall not increase the sum insured thereof.
10. The claim payment limit of supplementary subjects of insurance specified in the insurance policy is the upper claim payment limit for a supplementary subject of the insurance or a group of supplementary subjects of insurance for a single and at the same time all insured events occurring during a single insurance period.
11. Unless expressly agreed otherwise in the insurance policy, the insurer shall provide during a single insurance period for all insured events caused by individual risks from the risk group Natural Forces for each of these risks separately a claim payment not exceeding the amount of EUR 4 000 000.
12. In the event of payment of a claim, a default renewal of the sum insured or, as the case may be, of the claim payment limit is agreed upon. In this case, after the payment of the claim, the sum insured or the claim payment limit shall be renewed to their original amount, i.e. it shall be increased by the difference resulting from the reduction of the sum insured or of the claim payment limit as a result of the payment of the claim. The insurer has the right to request the payment of a pro rata premium corresponding to the increase in the sum insured or of the claim payment limit. This additional premium may be deducted from the claim payment.

For the avoidance of doubt, should a claim amount resulting from an insured event exceed the agreed amount of the sum insured or the claim payment limit, then the claim payment shall be limited by the agreed amount of the sum insured or of the claim payment limit, as the case may be, and it shall not be possible to claim payment of any additional claim payment from the renewed sum insured or, as the case may be, the claim payment limit.

Article 6 **Claim payment**

1. The insured's right to claim payment from the insurer (a claim payment) arises if an insured event occurs.
2. In the event that an insured event occurred as a result of:
 - a) damage to the subject of the insurance, the insured shall have the right to receive claim payment from the insurer in the amount of the reasonable costs incurred in the repair of the insured item,
 - b) destruction, theft, or robbery of the subject of the insurance, the insured shall have the right to receive claim payment from the insurer in the amount of the reasonable costs incurred in the re-acquisition of the insured item.
3. In the event of destruction, theft, or robbery of the insured item the insurer shall provide the claim payment exceeding the time value only if:
 - a) the actual technical condition of this item determined in accordance with generally binding legal regulations is higher than its residual operability percentage determined by or provided for in these regulations, and at the same time
 - b) within three years of the occurrence of the insured event at the place of insurance or at another place within the territory of the Slovak Republic re-acquires the insured re-acquires the item, if the re-acquisition at the place of insurance is not feasible due to legal or economic reasons. The insurer shall provide the claim payment exceeding the time value of the

item after the insured has provided documents proving the re-acquisition of the insured item.

4. Any claim payment regarding stock produced by the insured or expired stock shall be limited by the realizable sale price thereof.
5. In the event of damage, destruction, loss, or theft of insured movable property or stock owned by third parties, the insurer shall provide the claim payment in the amount of their time value.
6. In the event of any costs incurred in repairing or reinstallation of firmly embedded or mounted glass damaged by risk group All Risks, the insurer shall also provide claim payment in the amount of reasonable costs incurred in relocation, dismantling, assembly and installation, support works which had to be spent in repairing or installing the insured glass following the insured event; the sum of these costs and of the claim payment resulting from the insured risk breaking of glass shall not exceed the claim payment limit agreed for this supplementary subject of the insurance.
7. If there is any damage, destruction, or theft of any insured stamps and vouchers or cash as a result of an insured event, the insurer shall pay with regard to:
 - a) paper-form securities the amount spent on the redemption and, unless the issuer issues a duplicate, the amount by which the assets of the insured in the paper-form securities have been reduced at par value, at the value expressed by the issue rate or at the rate provided for by the generally binding legal regulations,
 - b) stamps and vouchers, unless the issuer issues a duplicate thereof, the amount by which the assets of the insured in the cash and vouchers have been reduced at the par value thereof,
 - c) cash the amount by which the assets of the insured have been reduced by the par value of the cash.
8. In the event of stealing the key from the entrance door of the insured's operation by theft as a result of burglary or robbery, the insurer shall reimburse the necessary costs of:
 - a) replacement of entrance door locks,
 - b) blocking of the stolen chip keys, and the purchase and programming of new chip keys if the door is equipped with a magnetic lock.

If the lock has been blocked due to any theft as a result of burglary or robbery, the insurer shall reimburse the necessary costs of unblocking these locks. Where the extent of the damage does not allow the lock to be repaired, the insurer shall reimburse the costs necessary for changing the entrance door lock.

The aforementioned provisions shall also apply to locks, and entrance doors to the insured's operation, as long as the premises of the insured's operation are located in a third-party-owned property and the locks are owned by the insured.

9. The insured shall have the right to receive the claim payment from the insurer if the insured item has been damaged, destroyed, or stolen in connection with the commission of or an attempt to commit these offences regardless of whether these offences occurred or not.
10. The insurer shall provide the claim payment for all insured events occurring during one insurance period up to a maximum amount of:
 - a) the sum insured or the claim payment limit set forth for the relevant subject of the insurance or supplementary subject of the insurance,
 - b) the claim payment limit agreed in the insurance policy for the relevant insured risk.

The lower of the above amounts shall be decisive for the amount of the claim payment.

11. If the insurer is required to provide the claim payment as a result of an insured event, then to the insured:

- a) who is a value-added tax (hereinafter referred to as "VAT") payer, the insurer shall pay the claim payment without VAT; except for cases where the insured item was stolen as a result of burglary or robbery and the VAT was included in the sum insured, in such a case the insurer shall pay the claim payment including VAT,
- b) who is not a VAT payer, the insurer shall pay the claim payment including VAT, however, provided that the VAT is included in the sum insured of the insured item specified in the insurance policy.

Article 7

Security measures for the protection of the insured property

1. The right to receive the claim payment in the event of fire of valuables, stamps, and vouchers, or cash at the place of insurance with an insured amount exceeding EUR 5 000.00 shall arise if, at the time of the occurrence of the insured event, they were stowed in properly closed storage facilities with fire resistance of at least 30 minutes according to the applicable relevant standard STN EN.
2. The right to receive claim payment in the case of theft, robbery, or vandalism arises if the subject of the insurance at the time of the insured event is secured in accordance with the provisions of the supplementary insurance terms and conditions for securing the property of sole traders and small-sized enterprises against theft (hereinafter referred to as "DPP-SME-ZMOV").

Article 8

Obligations of the insured

1. In addition to the obligations set forth by the VPP-MZ, 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 their regular inspection,
 - c) ensure adequate heating of the building or other structures in the cold season,
 - d) turn off the water supply and drain the pipes in the event of a threat of any water supply pipe damage.
2. The insured is obliged to ensure:
 - a) the functionality of all closing and locking mechanisms,
 - b) the operation, maintenance, and inspection of the electronic security system in accordance with the instructions for their operation and maintenance; unless otherwise specified, at least once a year the electronic security system shall be demonstrably inspected, including the performance of a functional test by the manufacturer or any authorized servicing company,
 - c) the keys and controls to doors and gates at the place of insurance stowed at the same place of insurance must be kept:
 - (i) in a properly closed and locked vault or locked box located in a properly closed and locked area that is secured at least at a level equivalent to that area to which the keys and controls belong, or
 - (ii) within a permanently guarded premises (e.g. a gatehouse with staff),
 if the conditions set out in (i) and (ii) cannot be met, the keys and controls must be kept outside the place of insurance,
 - d) in the case of electronic entry control based on a chip key, access key cards, biometric data, or unique access codes, i.e. when unlocking the lock upon successful verification of the identification element (chip key, access key card, biometric data, access code) to keep records of identification

elements together with identification of persons to whom the identification elements have been provided.

3. The insured is obliged to ensure that at the time of the occurrence of any insured event:
 - a) all openable windows, skylights, shop windows, etc. are duly closed from the inside and, if openable from the outside, must be properly locked,
 - b) all doors, gates, and entrance gates are properly closed and locked,
 - c) the electronic security system is in surveillance mode (activated),
 - d) all vaults are properly closed and locked,
 - e) all bags and luggage used for transport of valuables, stamps and vouchers, and cash are properly closed and, where required by the DPP-SME-ZMOV, also locked.
4. In the case of insurance of works of art, the insured is obliged:
 - a) to keep a list of these objects (name of the work of art, author, size, year of completion, sum insured in EUR including VAT).
 - b) in the case of works of art with a value exceeding EUR 8 000, to secure an expert or professional opinion (except in cases where the work of art is catalogued or valued by a state or municipal museum or gallery).
 - c) with respect to respective works of art, to archive the list and related documentation (photographs, expert's opinion, purchase/donation contract, etc.) in such a way that no damage occurs to the works of art and to their documentation,
 - d) in the event of damage, to provide the documentation to the insurer upon request.

Article 9

Definitions

1. **Sonic boom** is a shock wave induced by a 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, ice pellets, and hoar frost) falling to the earth's surface from all kinds of clouds, i.e. vertical precipitation.

The insured risk *atmospheric precipitation* does not apply to any damage caused by:

- a) soaking, drenching, or soaking up with water not originating from atmospheric precipitation,
 - b) ingress of atmospheric precipitation through openings on the outside of the building caused by repair or **technical improvement**.
3. **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.
 4. **High winds** are the dynamic effects of the air mass moving with a speed of 62 km/h (17.2 m/s) and more (e.g. gale, whirlwind, hurricane, typhoon, cyclone, tornado). If such speed has not been ascertained with regard to the place of the occurrence of the damage, the insured must prove that the air circulation in the surroundings of the insured item caused damage to duly maintained buildings or to any equally resistant objects or that given the free-of-defects condition of the insured building or structure in which the insured items are placed, the damage could have occurred only as a result of high winds.

For the purpose of determining the speed of the wind, only the measurements carried out by the Slovak Hydrometeorological

Institute shall be recognized. High winds shall also include insured events caused as a result of falling or throwing of objects on the insured item if the fall or throw was caused by high winds.

5. **Stamps and vouchers** are postage stamps, stamps, lottery tickets, public transport tickets and coupons, mobile phone top-up coupons, vignettes, meal vouchers, securities (shares, bonds, certificates of deposit, deposit and cheque books, etc.), payment cards, etc.

6. **Valuables** are:

- a) precious metals, precious stones, semi-precious stones, pearls, and products made thereof,
- b) fashion jewellery, wrist and pocket watches, glasses, and pens with a selling price exceeding EUR 160.

Parts and components of machines and machinery (hereinafter referred to as "*machines*") which form part of the insured machines, i. e. are properly embedded, installed, or mounted in the machine, shall not be considered valuables. However, these items are considered valuables provided that they were not part of the insured machine when the damaging event occurred.

7. **Smoke** is small visible particles suspended in the air (ash, fly ash, soot) that have suddenly leaked from combustion, heating, drying, or cooking equipment.

The insured risk of *smoke* does not apply to damage caused by continuous exposure to smoke.

8. **Electrotechnical 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 using tools.

9. **Erosion** is the physical process of disruption and removal of parts of the earth's surface by external (exogenous) factors.

10. **Movable property** are individual movables and sets of movables which are not real estate property, have an individual technical-economic purpose, operational-technical functions, or useful life of more than one year and entry price in EUR equal to or higher than provided for by the generally binding regulations. These are, in particular:

- a) machines, machinery, and electrical equipment,
- b) means of transport except for exclusions in these OPP-SME-HV;
- c) inventory (e.g. furniture, musical instruments, electrical appliances, etc.);
- d) small tangible fixed assets (hereinafter referred to as "*DHM*").

DHM are tangible assets with an estimated useful life of more than one year, with individual technical-economic purposes and entry price in EUR lower than provided for by the generally binding regulations for depreciated tangible assets.

Valuables, stamps and vouchers, cash, works of art, and exhibition models are not considered movable property.

11. **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 which was worth immediately before the insured event.

(b) **fair** value is the value which 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).

12. **Implosion (vacuum)** is the sudden equalisation of pressure inwards of a previously closed space.

13. **Structural fastening** means a fixed connection of an item to a structure. The fixed connection with a structure may be of a detachable or non-detachable kind.

Connection of detachable kind means any such connection for the disconnection of which at least a hand-held tool must be used.

Connection of non-detachable kind means any such connection in case of which it is not possible to disconnect the insured item without destroying the connection and/or the insured item.

14. **Theft** means illicit appropriation of the insured item by a third party where the offender has taken possession of the item 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 as a result of burglary or robbery;
- c) got to the place of insurance by any means other than that referred to in (a) or (b) of this paragraph and having left behind trace evidence proving their unauthorized presence or there is other evidence (e.g. surveillance camera records) confirming the intrusion and presence of the offender.

The insured risk *theft* does not cover damage:

- a) which was not reported to the police,
- b) in respect of which the insured has not allowed the insurer access to the police investigation or similar file and has failed to provide copies of the documents contained therein at the request of the insurer,
- c) caused by embezzlement or fraud,
- d) caused by loss, i.e. by regular theft without overcoming any anti-theft security securing the property, except as provided for in Article 3, paragraph 5 of this OPP-SME-HV,
- e) caused by intentional acts of the insured's employees, if such acts were committed at the place of insurance during the period when access to the place of insurance was granted for such employees,
- f) ascertained upon discovery of differences during an inventory or audit,
- g) to valuables, stamps and vouchers, and cash in transit, occurring between 10:00 PM and 6:00 AM.

15. **Hail** is a phenomenon in which chunks of ice formed in the atmosphere fall to the earth's surface.

The insured risk *hail* does not cover damage of an aesthetic nature which does not affect the functionality or operating time of the insured item.

16. **Avalanche** is a sudden fall of snow or ice cover from natural slopes including atmospheric pressure (shock wave) caused by the avalanche.

17. **Robbery** means the illicit taking of possession of an item by an offender:

- a) using violence or threat of imminent violence against the insured, their employee, any other authorized person, or any person entrusted by the insured,
- b) taking advantage of the decreased resistance of the insured, an employee of the insured, or the beneficiary, or as a result of their physical weakness following an accident (not in a causal link with 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 paragraph shall mean any persons to whom the insured entrusted the insured items, persons entrusted with guarding any goods in transport, or persons entrusted with guard duty.

The insured risk *robbery* does not cover damage:

- a) which was not reported to the police,
- b) in respect of which the insured has not allowed the insurer access to the police investigation or similar file and has failed to provide copies of the documents contained therein at the request of the insurer.

18. **Mechanical means of restraint** are means for the direct securing of a building or other structure or parts thereof against unauthorised entry (e.g. ramps, roadblocks, turnstiles, fencing, doors, windows, grilles, locks, locking systems, vaults, security foil). Unauthorised entry for the purposes of this definition is any unwelcome entry.

19. **Modernization** means the extension of the equipment or usability of tangible property by such components which the original property did not contain while forming an integral part of the property.

Individual items which are intended to be used together with the major item and which, together with such major item, form a single property unit shall be regarded as an integral part of that property.

20. **Frost** is a condition where the temperature drops below 0 °C if this temperature lasts for at least 24 hours (ice day or day with all-day frost) and this condition has been for the place of insurance confirmed by the Slovak Hydrometeorological Institute.

21. **Mycotoxins** are toxic organic substances which are produced by several microscopic fungi.

22. **Data recovery costs** are the costs incurred in connection with an insured event for the recovery of data carriers and the data, records of accounting, production, and operational documentation stored on them.

23. **Costs of removal of damaged movables or stock** (removal costs) are costs incurred in connection with an insured event for clearing the place of insurance, removing rubble and other debris to the nearest landfill site, and removing damaged movables or stock to the nearest landfill site and storage or destruction thereof.

24. **Costs of removal of undamaged movable property and stock** means the costs of materials and labour incurred in connection with the insured event for dismantling or reassembling undamaged movable property or stock.

25. **Costs of repair or reinstallation of firmly embedded or mounted glass** are the costs incurred in connection with the insured event and include all types of glass, including artificial glass made of polycarbonate or polymethylmethacrylate (plexiglass) as part of counters and display cabinets, furniture, glass-covered cabins of machines and machinery or other movable property damaged by the risk group All Risks (Article 3, paragraph 3 of these OPP-SME-HV).

26. **Lock replacement costs** are the costs of changing the locks on entrance doors of buildings or premises of the operation at the place of insurance and changing of locks on the doors to the safes and vaults at the place of insurance, if the key has been damaged, destroyed or lost as a result of theft or robbery, even if outside the place of insurance.

27. **Crash or fall of an unmanned flying object** is a crash or fall of an 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).

28. **Crash or fall of a manned flying object** is a crash or fall of a manned flying object (airplane, skimmer, helicopter, airship, hot air balloon, rogallo wing, etc.), of its parts, objects or crew that have fallen therefrom. Crash or fall of a manned flying object 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.

29. **Crash of a motor vehicle driven by the insured** is a crash of any motor vehicle or mobile work machine (this term hereinafter only as the “*vehicle crash*”) driven by the insured, their employees, or by persons living with the insured in the same household. Vehicle crash also means any crash of cargo of the vehicle or throw of objects from the vehicle due to the vehicle crash.

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

30. **Crash of a motor vehicle driven by a person other than the insured**, means a crash involving a motor vehicle or mobile work machine (hereinafter referred to as “*vehicle crash*”) driven by a person other than the insured, their employees, or persons living with the insured in the same household. Vehicle crash also means any crash of cargo of the vehicle or throw of objects from the vehicle due to the vehicle crash.

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

31. **Return of VAT to the State budget of the Slovak Republic** is the obligation of the insured as a payer of value-added tax (VAT) under generally binding legal regulations to return VAT for the insured items to the State budget of the Slovak Republic (SR) in the event of their theft or robbery.

32. **Real estate property** means buildings, halls, and structures, including their structural parts and appurtenances.

33. **Wear and tear** is the natural depreciation of the value of an item caused by its use.

Premature wear of equipment occurs if the equipment is operated in violation of technical requirements (use of the equipment for purposes for which it is not intended, neglect of maintenance and prophylaxis, permanent over-sizing of the operating parameters of the equipment caused by maladjustment of the equipment, etc.), which results in its accelerated wear or accelerated wear of components, parts or elements of the equipment.

For the purposes of this insurance, natural wear, and tear means the gradual process of wear and tear of the equipment caused by its use during operation or other active external effects of a long-term nature (continuous exposure to chemical, thermal, mechanical, and electrical effects, etc.). It manifests itself primarily by a gradual decrease in the values of the parameters set by the manufacturer for a given type of equipment.

34. **Repair** (maintenance) removes mainly partial physical wear and tear or damage for restoration to a previous or serviceable condition. The costs of repair include transportation costs, materials, and labour of the contractor for this service. Restoration to working order means the carrying out of repairs using materials, spare parts, components, or technologies other than the original ones, provided that there is no change in the technical characteristics or performance of the property and no change in its intended use. Maintenance slows down physical wear and tear, prevents its effects, and eliminates minor defects.

35. **Fall of trees, poles, and other objects** is such movement of objects which has the characteristics of a fall induced by the Earth’s gravity, the object not being part of the damaged object.

The insured risk of *fall of trees, poles, and other objects* does not cover any damage caused by the fall of trees, poles, or other objects caused by any human activity.

36. **Cash** means official domestic and foreign banknotes and coins.
37. **Fraud** is a deliberate act intended to mislead a person or to take advantage of a person's mistake, in order to enrich oneself or another or to cause damage to another person.
38. **Flood** means the inundation of the premises at the place of insurance by water poured from the banks of a surface water body (rivers, lakes, reservoirs, etc.) or has broken those banks. In the case of a fenced watercourse, the body of the levee shall be deemed to be the bank of the watercourse.

The insured risk *flood* does not apply to claims resulting from:

- a) a flood or directly related to a flood within 10 days after having taken out the insurance or after the increase of the sum insured, unless otherwise agreed in the insurance policy,
- b) a flood or in direct connection with a flood, if the insurance policy was concluded on the date of, or during the period of, the declaration of 2nd or 3rd level flood alert and which occurred during that period,
- c) controlled discharge of water from watercourses or reservoirs.

Furthermore, the insured risk *flood* does not cover any damage caused by:

- a) mechanical effects of water in water pipes, canals, and tunnels,
- b) cracking by drought, rotting (decay),
- c) a flood which is foreseeable given the situation at the place of insurance, i.e. if the occurrence of a flood at the place of insurance is more frequent than once every ten years prior to the date of the damage-causing event,
- d) as a result of absence or malfunctioning of covers preventing wastewater backflow,
- e) groundwater, i.e. a rise in the water level of groundwater not caused by floods,
- f) a rise in the level of a reservoir or lake.

39. **Fire** is any fire in the form of visible flame made off the designated fire ring or which has exited such fire ring and by its own natural force has spread or has been intentionally made and/or spread by an offender. As fire is also regarded as any associated phenomena thereof in the form of heat and combustion products resulting from fire and the effects of the extinguishing medium used in firefighting.

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

- a) by the effects of utility fire or radiant heat,
- b) by smouldering with restricted access to air.

40. **Transport of valuables, stamps and vouchers, and cash** means their transport by the insured or by the person entrusted by the insured.

This insurance also covers:

- a) robbery which occurred during the takeover or handover of the valuables, stamps, and vouchers, and/or cash at the place of destination thereof,
- b) robbery at the time of reduced resistance of the insured or the entrusted person or as a result of their physical weakness following an accident (not in a causal link with 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.

41. **Reasonable costs of repairing an item** is the price of repairing the insured item (or any part thereof) to the same parameters and

performance as the insured item had before the insured event. The price of the repair must be a price which is usual for the location at the time of the damage.

The reasonable costs of repairing the item or any part thereof shall not include wage benefits for overtime work, night work, and work on public holidays and rest days, travel and accommodation costs of technicians and experts from abroad, the costs of the expert witness, the costs of earthworks and excavation works, the costs of additional design works, transport costs for sending the damaged item abroad for repair, including express surcharges and air freight for spare parts.

The insurer shall consider as reasonably incurred costs for the repair of an item only those costs which do not exceed:

- a) the new prices of the parts and materials to be replaced as determined by the manufacturer and/or importer and/or dealer of the item in question in the given region of the Slovak Republic,
- b) the repair time standards and technological procedures established by the manufacturer of the respective item and/or the hourly rates of the authorised repairer of the respective item in the given region of the Slovak Republic.

42. **Prophylactics** is the periodic inspection, adjusting, and calibration activity to ensure the accurate operation of machines, machinery, or electrical equipment.

43. **Reconstruction** is such interventions in tangible property which result in a change in their intended use, a qualitative change in their performance, or technical parameters.

44. **Breakage of glass** is its fragmentation, cracking, or such damage when its replacement is necessary because of imminent risk of damage to life or other property.

The insured risk *breakage of glass* does not cover damage to the insured glass caused:

- a) by its breakage in transit,
- b) by its breakage during installation, assembly, or dismantling,
- c) by its scratching, plastering, painting, spraying, or other similar means,
- d) by its thawing,
- e) by the effects of radiant heat when removing paint or coatings,
- f) if part of a greenhouse, unless otherwise specified in the insurance policy.

45. **Wastewater backflow** is any discharge of liquid from a non-public sewer not caused by flood, inundation, or atmospheric precipitation.

46. **Groundwater** is a rise in the water level of groundwater not caused by flood, inundation, or atmospheric precipitation.

47. **Embezzlement** means the unauthorized appropriation of the entrusted insured item.

48. **Structure** is a built construction made as a result of construction works from building materials, that is firmly connected to the ground or the construction of which requires the adjustment of the ground. Structures are subdivided according to their structural design into buildings (building constructions) and civil engineering structures. Firmly connected to the ground means

- a) any solid connection with the ground,
- b) any attachment by mechanical parts or by welding to a solid foundation in the ground or to another structure,
- c) any anchoring by means of piles or cables with anchors in the ground or other structures,
- d) connection to the networks and equipment of the technical facilities of the area,
- e) underground installation.

49. **Structural components of buildings or structures** are things which due to their nature belong to the building or any other structure and which are generally incorporated into the building or structure or attached thereto by structural connection of non-detachable kind, in particular:
- internal distribution systems of cold and hot water (including central heating distribution systems), steam and associated control and measuring equipment, internal sewage systems, internal refuse disposal systems, internal distribution systems for air (air-conditioning and ventilation), and gas, distribution systems of fire-fighting equipment, including fire-extinguishing equipment,
 - internal wiring, including ceiling and wall lighting and associated switch boxes and panels, internal low-voltage and telecommunications wiring, including security and safety equipment, data network wiring, lightning conductors, passenger and freight elevators, local and central heating, including boilers and heat exchangers,
 - built-in structures (e.g. made of metal) for fixing equipment and objects, crane runway structures including rails and collectors,
 - 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,
 - basic fixtures and fittings associated with the structure (plumbing fixtures, taps, hand dryers, kitchen ranges, glass-ceramic cooktops, kitchen hoods, boilers),
 - exterior lighting of buildings and structures, excluding production and operational lighting, lighting of high-rise buildings, traffic signs, and road signs.
50. **Loss of an item** is a state of affairs when in connection with an insured event, the insured, without any active choice on their part, has lost the ability to dispose of such insured item.
51. **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:
- 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.
 - 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.
52. **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:
- 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,
 - 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.
- built into a movable machine** - machinery fixed mechanically to mobile machines which cannot be dismantled without the use of tools.
53. **Set of items** consists of individual items having the same or similar nature or intended for the same purpose of use/utilization. The insurance of specifically identified items of this nature is called the insurance of **selection of items**.
54. **Technical improvement** is the construction of a super-structure, extension, building alterations according to the Building Act, as well as the reconstruction or modernization of property.
55. **Technical condition** is the condition of a property component that represents its actual residual technical and moral condition which it had immediately before the insured event.
56. **Weight of snow or ice** is the destructive effects of the excessive weight of snow or ice on roof coverings, load-bearing, and other structures of buildings.
- The excess weight of snow or ice refers to the load on the structure that exceeds the data set forth by the applicable regulations at the time of the final inspection of the building (structure).
- As insured event caused by the weight of snow or ice is also considered any leakage of melted snow or melted ice water into the building through an opening made as a result of damage to the structural components of the building caused by the weight of snow or ice.
- The risk of weight of snow or ice does not cover any damage:
- caused as a result of neglect of maintenance of the roof of the building or improper structural design of the roof,
 - caused as a result of directly or indirectly from dilapidated, rotten, or otherwise damaged roofing, load-bearing, and other structures.
57. **Lightning strike**
- direct lightning strike** is the direct action of lightning energy or temperature of its discharge on the insured item, including damage or destruction of the insured item by a falling object if its fall is caused by a lightning strike.
- The insured risk of *direct lightning strike* does not cover any damage caused by overvoltage, undervoltage, or short circuits in the electric motor in equipment connected to the electrical and/or data network without any external cause.
- indirect lightning strike** is the indirect action of electromagnetic energy due to an excessive increase in current intensity and overvoltage or induction jumps in lightning strikes or discharge of static electricity in the atmosphere on the insured electrical equipment, including electronic elements and other electronic components of these items.
- The insured risk of *indirect lightning strike* does not cover any damage:
- (ba) caused to electrical wiring and cabling,
 - (bb) to equipment connected to the electrical and/or data network without external cause.
58. **Works of art** are objects of artistic (paintings, collages, drawings, prints, sculptures, etc.), collectible, historical value, antiquities (objects older than 100 years as of the date of conclusion of the insurance policy having artistic or historical value, relate to a specific period, artistic style, etc., including antique objects made of gold, silver, platinum, precious stones or pearls).
59. **Storage facilities** are premises delimited by a special construction which guarantees maximum possible safety for items stored therein against any damage or destruction. For the purposes of these OPP, storage facilities are double-clad fire-resistant, and with insulating filling.
60. **Vandalism:**

- a) **internal vandalism** is intentional damage or intentional destruction caused inside the real estate property committed by a third party (the perpetrator).
- b) **external vandalism** is intentional damage or intentional destruction (e.g. painting, spraying, posters, engraving) of a publicly accessible insured item or of an insured thing located in the area immediately adjacent to a publicly accessible place, committed by a third party (the perpetrator).

The insured risk *vandalism* does not cover any damage:

- a) which was not reported to the police,
- b) in respect of which the insured has not allowed the insurer access to the police investigation or similar file and has failed to provide copies of the documents contained therein at the request of the insurer.
- c) of aesthetic nature (painting, spraying, posters, engraving, etc.).

61. **Personal belongings of the employees of the insured** are items that are usually carried to work, or which are stowed by the insured's employee while carrying out work duties or in direct connection therewith at a place where such items are usually stowed, and such place is located at the place of insurance.

62. **Aquarium, swimming pool, bathtub, or tank water** is any unexpected and sudden leakage of water, steam, or liquid from tanks with a capacity of more than 50 litres.

63. **Water from non-public distribution systems** is any unexpected and sudden leakage of water, steam, or liquid from non-public distribution systems, i.e. from fixed water or sewerage pipes, heating, air conditioning, solar or fire extinguishing systems, including connected sanitary equipment, fittings or equipment connected to these systems belonging to the insured structure.

This insurance does not cover any:

- a) costs incurred as a result of leakage of water or any other medium (water, sewage, etc.).
- b) damage caused during pressure testing, repairs, or maintenance,
- c) damage caused by soil settlement when caused by a risk other than a risk of the Water risks group.

64. **Water from gutters and downspouts** is any unexpected and sudden leakage of water or liquid from gutters and external downspouts belonging to the insured structure which are designed to drain atmospheric precipitation.

This risk does not cover 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, actions of mould, fungus, rotting, etc., and human activity means drilling, puncturing, etc.

65. **Wild animals** are wild animals, not domestic animals, which have caused damage or destruction to the insured structure on its exterior, e.g. on the exterior walls or roof structure, etc.

The coverage includes also costs:

- a) incurred in the removal of bee, wasp, or hornet nests provided that their removal is preceded by damage caused by wild animals,
- b) incurred in disinsection and/or rodent control in connection with damage caused by wild animals; the above shall not apply in cases where the insured is obliged to carry out these measures pursuant to the legislation in force, the house rules, or any other similar document.

66. **Open air** means an area outside the interior of a building or other structure and outside a fenced area.

67. **Selection of items** is made of respective specifically identified items listed in the insurance policy.

68. **Explosion** is a sudden destructive display of a compressive force as a result of expansion of gases or vapours. An explosion of a pressure vessel containing compressed gas or vapour (boiler, pipe, etc.) shall mean a sudden rupture of its walls to such an extent that there is a sudden equalisation of pressure between the inside of the vessel and the outside environment.

The insured risk *explosion* does not cover any damage caused:

- a) by explosion (reaction) in the combustion chamber of engines, gun barrels, and other equipment and activities in which the energy of the explosion is used deliberately,
- b) to pressure vessels and equipment (boilers, pipelines, etc.) as a result of an explosion in these pressure vessels or equipment due to their age, wear and tear, corrosion, or the effects of deposits, sludge, cavitation, and other permanent operational effects.

69. **Volcanic eruption** means a release of pressure caused by a disturbance of the Earth's strata associated with the spewing and pouring of lava, the release of ash, or other materials or gases.

70. **Exhibition models** are models, patterns, prototypes, exhibits, and production equipment not suitable for standard production.

71. **Inundation** means a natural formation of a continuous body of water standing or flowing on the surface of the earth at the place of insurance for a certain period of time. Inundation also means

- a) increase of the groundwater level due to a flood or atmospheric precipitation in the place of insurance,
- b) wastewater backflow caused by flood or atmospheric precipitation at the place of insurance.
- c) unexpected and sudden leakage of water, steam, or liquid from public distribution systems (water, sewerage, heating pipes, etc.).

The insured risk *inundation* does not cover any damage caused:

- a) as a result of formation of a body of water caused by the insured risk *water from non-public distribution systems*,
- b) as a result of formation of a body of water caused by an insured risk *flood*,
- c) by mechanical action of water in water pipes, sewers, and tunnels,
- d) cracking by drought, rotting (decay),
- e) inundation which, given the situation at the place of insurance, is foreseeable, i.e. where inundation at the place of insurance has been more frequent than once in ten years prior to the damage-causing event,
- f) as a result of absence or malfunctioning of covers preventing wastewater backflow,
- g) a rise in the level of a reservoir or lake.

72. **Stock** means materials or goods that are as stock recorded in the insured's books and records and tangible fixed assets that the entity chooses not to classify as tangible fixed assets according to the accounting policies.

73. **Earthquake** are tremors caused by movements of the Earth's crust causing damage (e.g. damage to chimneys, cracking of glass, damage to walls, etc.) also to other structures of similar resistance in the immediate surroundings of the place of insurance.

74. **Re-acquisition** of a new item is the cost, up to the fair value, incurred in the acquisition of an item of the same type, kind, quality, and parameters as it had immediately before the insured event.

75. **Landslide, rock, or earth collapse** is a sudden and unforeseen sliding or collapse of soil, earth, or rock, including objects set in motion by a landslide, caused by natural and climatic influences.

The insured risk *landslide, rock, or earth collapse* (for the purposes of this paragraph referred to as the "landslide") does not cover:

- a) any damage if at the time when the insurance policy is taken out, a landslide in the geological terms has already started,
- b) any damage caused by a landslide which, given the situation at the place of insurance, is foreseeable, i.e. its occurrence is more frequent than once in ten years preceding the date of the damage-causing event,
- c) damage where the landslide was caused by any industrial, construction, or human activity,
- d) damage caused by soil settlement,
- e) costs of groundworks after landslide.

Article 11

Closing provisions

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