

## Special insurance terms and conditions for general liability insurance of sole-traders and small-sized enterprises

### Article 1 Introductory provisions

1. These Special Insurance Terms and Conditions for general liability insurance (hereinafter referred to as the "OPP-SME-Z") 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 general liability insurance (hereinafter referred to as the "insurance") shall be governed by the applicable provisions of the Civil Code, the VPP-SME, these OPP-SME-BZ, the DPP-SME, if these form part of the insurance policy, and by the insurance policy.

### Article 2 Subject and scope of the insurance

1. The subject of the insurance is liability for damage:
  - a) caused in connection with the insured operational activity, and/or,
  - b) caused by a defective product, and/or,
  - c) arising out of the ownership of real estate property.
2. The insurance shall cover only the following:
  - a) damage occurring during the insurance period as a result of a damage-causing event, irrespective of the fact when its cause occurred, and at the same time,
  - b) a claim which has been made within the time limit under the generally applicable legislation in force, and which, however, does not have to be made during the insurance period.
3. Subject to the terms and conditions of the policy, the insured shall have the right to have the insurer indemnify the aggrieved party on behalf of the insured for the damage for which the insured is liable under generally applicable regulations, namely:
  - a) damage to property, and/or
  - b) damage to health.
4. The insured also has the right to reimbursement of reasonably incurred legal costs.
5. Subjects of the insurance are also the following "Supplementary subjects of the insurance":
  - a) recourse claims,
  - b) damage to rented real estate properties,
  - c) damage to stored employees' belongings,
  - d) damage to visitors' belongings.
6. For each of the "supplementary subjects of insurance" referred to in paragraph 5 of this Article a default claim payment sublimit agreed up to the amount of EUR 2 000 is agreed. For each of the "supplementary subjects of the insurance," a higher claim payment sublimit may be agreed upon in the insurance policy.
7. The insurance also covers environmental damage up to the claim payment limit of EUR 2 000 as part of the basic premium and subject to the terms and conditions of the DPP-SME-EL.
8. The insurance also covers damage for which the statutory officer or manager (senior staff member) is held liable and caused in connection with the performance of their office up to the claim

payment limit of EUR 2 000 as part of the basic premium and is subject to the terms and conditions of the DPP-SME-DO.

9. The insurance also covers damage incurred in connection with data protection subject to the terms and conditions under the DPP-SME-DATA.

### Article 3 Insurance exclusions

1. Unless otherwise provided for in the insurance policy, the insurance shall not cover:
  - a) any damage incurred due to damage to the health of an employee or resulting from occupational diseases,
  - b) the liability of the insured for damage and destruction of movable items taken over by the insured for use for the purpose of operational activity (*used property*),
  - c) any damage that does not directly result from material damage to a property or damage to health (*net financial loss*)
  - d) the liability of the insured for any damage to property as a result of sudden and unforeseen emission of pollutants (*accidental pollution*),
  - e) any claims associated with the infringement of rights relating to personality or any other costs incurred due to the existence of non-material loss,
  - f) any damage to any kind of overhead and underground lines,
  - g) any damage caused as a result of ownership and/or operation of mines and quarries or mining and tunnelling,
  - h) any damage caused by operating structures on watercourses,
  - i) any damage caused as a result of vibrations, performance of demolition or wrecking works, or manipulation with explosives,
  - j) any damage caused by theft in the course of the performance of guarding duties,
  - k) any damage caused by the ownership, operation, or maintenance of railways, tramways, cableways, ski lifts, including all means of transport and equipment operated thereon,
  - l) any damage caused by grazing livestock or wild animals to the meadows, trees, garden, field, and forest plants,
  - m) any damage to stamps and vouchers, valuables, cash, and works of art,
  - n) any damage to the health of a child/pupil who is being educated, trained, or cared for by the insured,
  - o) any damage caused by the operation of amusement parks, funfairs, circuses, and similar attractions,
  - p) any damage resulting from rental or lending of movable property,
  - q) any damage caused in connection with the activities of a temporary employment agency; or
  - r) any damage caused by or in connection with the performance of activities of a sports organisation, sportsperson, or sports professional,
  - s) any damage caused in connection with the organisation of sports competitions and/or cultural and other social events,

- t) any damage caused in connection with the performance of the following activities:
- manufacture of wood 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, and supply of electricity, gas, steam or air conditioning,
  - operation of automatic and self-service car washes,
  - transport, postal, and courier services.
2. The insurance shall not cover any liability for damage:
- (a) incurred by the insured,
  - (b) caused as a result of the operational activity of the insured for which they have no legal authorization,
  - (c) for which the insured is not liable under the applicable legal regulations,
  - (d) caused intentionally or by gross negligence of the insured or other persons acting at the insured's behest,
  - (e) assumed in excess of the limits set forth by generally applicable regulations, except in instances where the insured would be held liable for such damage under generally applicable regulations, even in the absence of any contractual or agreed-upon liability,
  - (f) caused by an activity for which the law imposes an obligation to take out liability insurance, or the claims arising from which are the subject of any statutory or compulsory contractual insurance,
  - (g) caused by the failure to meet any statutory or contractual obligation or by failure to supply a service or product,
  - (h) caused as a result of the use of an item contrary to its intended use.
3. The insurance also does not cover the following liability for damage:
- (a) caused by or resulting from any loss, damage, destruction, malfunction, deletion, distortion, or modification of electronic data or software due to any reason whatsoever (including, however not limited to computer viruses) or by impairment of utility, functionality, or price resulting therefrom,
  - (b) caused a result of subsidence, landslide, erosion, controlled industrial blasting, or as a result of undermining,
  - (c) caused by or resulting from the effects of magnetic or electromagnetic fields and the radiation thereof,
  - (d) caused by or resulting from genetic changes of organisms and plants, or leakage of foreign invasive living organisms, or leakage of a similar type of plant seed,
  - (e) caused by or resulting from the effects of nuclear energy or nuclear radiation of any kind,
  - (f) caused by formaldehyde, asbestos, silicium, persistent organic materials, polychlorinated biphenyls, methyl tert-butyl ether, lead, mercury, synthetic mineral fibre,
  - (g) caused by fungi, mould, or similar organisms and any by-products or any infestation arising therefrom (e.g. mycotoxins, spores),
  - (h) caused by or resulting from the ownership, administration, or operation of any motor vehicle by the insured or any person entrusted by the insured provided that the right to claim payment is the subject of compulsory contractual motor vehicle third-party liability insurance; this exclusion shall not apply to any damage caused by operation of machines to the vehicle chassis if the damage occurs due to use of these machines,
  - (i) caused by or resulting from any connection with the ownership, possession, or operation of an aircraft, vessel, or any other air and/or water means of transport,
  - (j) caused by wear and tear or excessive mechanical load,
  - (k) caused by the provision of health care services, veterinary care, pharmaceutical services, or by the provision of services of aesthetic medicine or any other aesthetic services associated with intrusions into a human organism or by products associated with the provision of such services (human medicines, veterinary medicines, vaccines, cosmetic products, etc.),
- (l) caused by inspection, supervisory, advisory, investigatory, appraisal, project, consulting, or legal advisory services or activities,
  - (m) caused by services associated with the design, authorisation, and approval of any maps, schemes, reports, surveys, scopes, orders, designs, assignments, specifications, or any project documentation.
4. With respect to any defective product of the insured, the insurance shall not cover any damage:
- (a) caused to the defective product of the insured and/or costs incurred for the defective work,
  - (b) caused to an object or any part thereof on which the insured directly performed the insured activity, and the damage was caused by this activity,
  - (c) caused as a result of necessity to withdraw the defective product off the market including withdrawal of objects comprising the defective product or the costs required to procure the transport, storage, and disposal of the defective product,
  - (d) caused by the supply of products or performance of work that fails to meet the expected aesthetic, quality, or functional requirements,
  - (e) caused by the failure to supply a product or perform work,
  - (f) caused as a result of mixing the insured's product with another product of the aggrieved party or as a result of incorporation of the insured's product into the aggrieved party's product, provided that the defect in the insured's product has not resulted in physical damage to another person's property other than the insured or the aggrieved party,
  - (g) caused by the supply of a product the defect or insufficient parameters of which the insured knew of or should have known prior to its delivery to the customer or its placing on the market,
  - (h) caused by insufficient testing of the product (pursuant to the prescribed standards and/or usual practice of the given industry) prior to its delivery to the customer or its placing on the market,
  - (i) caused by a product which is part of a means of transport of any kind (road, air, sea, rail, etc.) of public or individual transport,
  - (j) caused by a product the origin or use of which relates to the obtaining, modification, processing, handling, distribution, storage, use, or making use of materials partially or entirely originated from the human body, including any organs, tissues, cells, transplants, excreta, and secreta as well as any materials acquired or produced thereof,
  - (k) caused by the insured's product if such damage was caused by the unsuitability of the product for its intended use,
  - (l) caused directly or indirectly in connection with the effects of tobacco or tobacco products,
  - (m) caused as a result of defective work done by scientific, research and development, analytical, logical, producer, intermediary, engineering activities, or any other similar activity.
5. The insurance also does not cover any damage arising out of a claim made against the insured(s) arising out of any loss, liability, damage, indemnities, claims, defence costs, or expenses of any kind whatsoever, for which the insured is liable and which have been directly or indirectly incurred in connection with any transmissible disease or concern of its transmission or risk (whether actual or perceived) of transmission of any disease, regardless of the cause of its occurrence or the event which contributed to the transmission of the disease, the concern or risk of transmission of the disease, whether concurrently or in any other order.
6. The insurance shall not cover any reimbursement of contractual, administrative, and/or criminal sanctions or fines of any kind including any punitive damages or exemplary damages.
7. The insurance shall not cover any claims for damages including reimbursement of fees of legal representation in connection with

any right for damages awarded by any official public authority having either territorial or functional jurisdiction in the United States of America (USA) or Canada.

8. The insurance also shall not cover any claims made pursuant to the Directive 2004/35/CE of the European Parliament and of the Council on environmental liability with regard to the prevention and remedying of environmental damage or pursuant to generally binding legal regulations governing environmental liability or remedy of environmental damage.
9. The insurance does not cover liability for damage caused by:
  - (a) to a partner, shareholder, and/or a person with a personal relationship with them in connection with the insured operational activity,
  - (b) to a business entity in which the insured or their statutory representative holds an ownership interest, to the extent of the share of such ownership interest.

#### **Article 4** **Territorial coverage**

1. The insurance provides coverage for damage that occurs within the territories of the Slovak Republic, the Czech Republic, Hungary, Poland, and Austria.
2. The insurance may also cover the territory of the European Union or that of other European countries, if so agreed upon in the insurance policy.

#### **Article 5** **Claim payment limit**

1. The claim payment limit is the amount specified by the insured that must be set forth in the insurance policy.
2. The claim payment limit represents the upper limit of the insurer's claim payment for a single insured event subject to the terms and conditions stipulated in the insurance policy.
3. The sublimit is part of the claim payment limit agreed upon in the insurance policy as the maximum amount of compensation to be paid by the insurer for a specific kind of damage covered by the sublimit; the sublimit does not increase the overall claim payment limit.
4. The costs of legal representation do not increase the claim payment limit, and the insurer shall provide the reimbursement thereof together with the damages up to the maximum amount of the claim payment limit or up to the amount of the sublimit provided that the costs of legal representation relate to claims arising from the insurance risk limited in the insurance policy by the claim payment sublimit.

#### **Article 6** **Claim payment**

1. The insurer shall provide on behalf of the insured compensation for damage incurred as a result of one insured event up to the amount of the limit or sublimit of the claim payment agreed upon in the insurance policy.
2. The insurer shall provide the claim payment for all insured events occurring during the insurance period up to the amount of twice the claim payment limit.
3. Multiple temporally related damages arising directly or indirectly from the same or identical cause, source, circumstance, event, or other peril, shall be deemed as a single damage, irrespective of the number of aggrieved parties (a series of damages). Each damage from a series of damages shall be deemed to have occurred at the time when the first of them occurred, regardless of the actual time of their occurrence.
4. The insurer shall have the right to refuse the claim payment if the insured without the consent of the insurer fails to raise an objection of limitation, undertakes to pay a time-barred claim, or concludes a court settlement, or fails to lodge a timely appeal against a decision of the competent authorities on damages, unless having received other written instruction from the insurer within the appeal period.
5. The insurer shall have against the insured the right to reimbursement of the provided claim payment if the insured intentionally misleads the insurer about the material

circumstances relating to the insurer's obligation to provide the claim payment.

6. In the event that the insurer paid damages on behalf of the insured, the insured's right to damages or other similar right which the insured incurred against a person other than the insured or the aggrieved party in respect of their liability for damage shall pass onto the insurer.
7. If the insured has a right against the aggrieved party or another person to a refund of the amount paid or to a reduction of the pension or to suspension of payment thereof, that right shall pass onto the insurer if the insurer paid that amount on behalf of the insured or pays the pension on their behalf.
8. The following rights of the insured shall also pass onto the insurer:
  - (a) right to the compensation of those costs of proceedings awarded to the insured against the other party to the proceedings, provided that the insurer paid them,
  - (b) right to settlement or recourse up to the amounts which the insurer paid on behalf of the insured.

#### **Article 7** **Obligations of the insured**

1. In addition to the obligations specified in the VPP-MZ, the insured is required to:
  - (a) inform the insurer in writing that a claim for damages has been made against the insured,
  - (b) inform the insurer in writing that criminal proceedings related to the damage-causing event have been initiated against the insured,
  - (c) inform the insurer in writing that a claim for damages has been made against the insured before a court of law or other authority,
  - (d) proceed in accordance with the insurer's instructions (in particular in proceedings for damages).
2. If circumstances arise that justify the transfer of rights, the insured must immediately inform the insurer thereof and provide the insurer with the documents necessary for the exercise of these rights.
3. In the event of a breach of the obligations referred to in this Article the insurer shall have the right against the insured to reimbursement of the provided claim payment according to their gravity.

#### **Article 8** **Sanction clause**

The insurance (reinsurance) under the concluded insurance policy shall not be deemed to have been validly agreed upon and the insurer (reinsurer) shall not be obliged to provide any kind of payment or provide any other benefit in cases where the validity of the insurance, the damages, the provision of the claim payment or any other benefit would be contrary to any decision of the United Nations (including any its affiliated international organisations), the European Union or the United States of America to impose political, commercial and/or economic sanctions, or if such action of the insurer (reinsurer) would under applicable sanctions regulations and laws result in the imposition of any political, commercial and/or economic sanction, prohibition or other restriction.

#### **Article 9** **Definitions**

1. **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 Article 8 of these OPP-SME-Z, i.e. under the Sanction Clause.

2. **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.
3. **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.
4. **Valuables** are:
- precious metals, precious stones, semi-precious stones, pearls, and products made thereof,
  - fashion jewellery, wrist and pocket watches, glasses, and pens with a selling price exceeding EUR 160.
5. **Accidental pollution** is a sudden and unforeseen discharge of pollutants as a result of which the damage to health and/or property is caused or results from leakage, dispersal, release, seepage, evaporation, or discharge of pollutants into the soil, air, water flow, however, only provided that it is a sudden, identifiable, unforeseen and unintentional event having occurred at a specific time and in a particular place and, at the same time, provided that the claim for damages has for the first time been asserted vis-à-vis the insured in writing during the term of the insurance coverage. Any costs and expenses incurred with the removal, liquidation, or cleaning of the aftermath of the accidental pollution are regarded as part of the damage. Any claims associated with the environmental damage pursuant to Directive 2004/35/CE of the European Parliament and of the Council on environmental liability with regard to the prevention and remedying of environmental damage or pursuant to the generally binding legal regulations governing environmental liability or remedy of environmental damage shall not be deemed as damage caused as a result of accidental pollution.
6. **Listeriosis** is an infectious disease caused by gram-positive bacteria *Listeria monocytogenes*.
7. **Mycotoxins** are toxic organic substances that are produced by a variety of microscopic fungi (moulds).
8. **Overhead and underground lines** are pipelines (e.g. water, sewage, gas, oil duct) and power (transfer and distribution of electricity), communication (telegraph, telephone, internet, transferring visual and/or audio signals), control and management cables including any poles, masts, stands, other supporting structures and control and management equipment and elements pertaining thereto.
9. **Costs of legal representation** are the costs (maximum up to the amount of the lawyer's tariff remuneration) incurred in connection with a claim made against the insured as a result of damage covered by the insurance even if the claim made against the insured without is unjustified, however, provided that the acts of legal representation of the insured have been agreed by the insurer in advance.
- Instead of reimbursing the costs of legal representation, the insurer is entitled to appoint a legal representative to represent the insured at the insurer's expense for the necessary period of time in the damages proceedings.
- In the event of disagreement with the appointment of a legal representative by the insurer, the insured is entitled to notify the insurer thereof within ten days of the insurer's notification. In such a case, the procedure set forth in the introductory provision of this paragraph of this OPP-SME-Z shall be followed.
- The insurer reserves the right to investigate, review, and settle out of court any claim at its sole discretion.
10. **Real estate property** is land and structures connected to the ground by a solid foundation.
11. **Leasehold property** is a real estate property which has been leased or handed over to the insured by written agreement for use to perform the "insured activity" of the insured.
12. **Person with a personal relationship with a shareholder** is a relative in the ascending line, sibling, spouse, or a person living with such person in the same household.
13. **Cash** means valid domestic and foreign banknotes and coins.
14. **Operational activity** is an activity having an operational nature, carried out by the insured on the basis of a valid authorisation granted under generally binding legal regulations and activities related thereto.
- Activities related to the operational activity shall be deemed to include:
- the operation of social and recreational facilities for the insured's employees and the organisation of company events,
  - the operation of static (with foundations firmly connected with the ground surface) advertising facilities owned and used by the insured, if their placement and operation have been authorised by the competent public authorities.
15. **Transmissible disease** is any disease that can be transmitted by any substance or means, from any organism to another organism if:
- the transmissible substance or means is a virus, bacteria, parasite, or other organism or a variant or mutation thereof, whether regarded as living or not, and
  - the transmission between organisms, either direct or indirect, is carried out by, inter alia, air, bodily fluids, from or to any surface or object in solid, liquid, or gaseous form, and
  - the disease, the transmissible substance, or the source of transmission itself causes or may cause damage to or endanger human health or welfare or causes or may cause damage, impairment, loss of value, loss of marketability, or loss of ability to use a property or loss of opportunity to do business.
- Communicable disease does not include Salmonellosis and Listeriosis.
16. **Recourse claims** are claims of the Social Insurance Agency and health insurance companies relating to accidents at work of the insured's employees.
17. **Salmonellosis** is a disease caused by pathogenic salmonella with clinical symptoms corresponding to pathological and anatomical findings and positive results of bacteriological examination on *Salmonella enteritidis* and *Salmonella typhimurium* germs.
18. **Structures on watercourses** are structures built on watercourses that form the structure of the flow profile or interfere with this profile (e.g. dams, culverts, reservoirs, levees, piers, harbours, navigation channels and locks, weirs, steps, head races, small hydroelectric power stations, bank reinforcements, etc.).
19. **Damage to property** is physical damage to a tangible property, including consequential material loss or lost profits resulting from the loss of ability to use the damaged property or loss of functionality of the damaged property.
20. **Damage to health** is bodily injury to a person, including sickness or death and economic loss resulting therefrom, including lost profits; recourse claims of the Social Insurance Agency and/or health insurance companies relating to damage to the health of persons other than the insured's employee shall also be considered as damage to health.
21. **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).
22. **Lost profits** are a financial loss that consists in the fact that the aggrieved party fails to experience a multiplication of property values as a result of the damage, which could be expected in the regular course of things.
23. **Visitors' belongings** are brought-in and stowed items having been brought in by the insured's visitors as accommodated natural persons into the premises reserved for the accommodation or for

the stowage of belongings, or which have been stowed by the insured's visitors in the premises designated for that purpose or in a place where they are normally stowed if the insured activity is associated with their stowage; the insurance also covers damage caused by theft of such items caused by the overcoming of a barrier or measures protecting the visitors' stowed items against theft.

2. The insurance policy may deviate from the provisions of these OPP-SME-Z.
3. These OPP-SME-Z shall enter into force on 1 July 2024.

24. **Items taken over** are movable property taken over by the insured for the purpose of processing, repair, alteration, sale, safekeeping, transport, storage, or professional assistance.

25. **Employees' belongings** are items stowed by the insured's employees in the course of their work duties or in direct connection therewith at a place designated for such stowage or a place, where they are normally stowed; the insurance also covers damage caused by theft of those items caused by the overcoming of a barrier or measures protecting the employees' stowed items against theft.

26. **Gross negligence** is such an act or failure to act where the insured knew that by acting in such a manner they could cause damage, however, without any good reasons they assumed that no such damage would be caused.

27. **Ownership of real estate property** is the exercise of rights and obligations arising from ownership or possession of real estate property. Liability insurance against damage arising out of ownership of real estate property shall be agreed upon only if expressly stipulated in the insurance policy.

28. **Product** is:

- a) any movable item that has been produced, extracted, or otherwise obtained regardless of its degree of manufacturing and which is designed for introduction to product circulation,
- b) any movable item which is part or is an accessory to another movable item or real estate property,
- c) any work performed by the insured or by a person entrusted by the insured, including materials and components provided in connection with this work.

Agricultural and forest natural products, beekeeping and fishing products and game meat shall not be considered as a product unless they have undergone initial processing. Initial processing shall be considered to be such treatment which alters the characteristics of the product or adds additional substances thereto, as well as packaging or other industrial treatment.

Introduction to product circulation or placing a product on the market is the moment when the producer has effectively lost ownership of the product.

The product must be placed on the market for consideration, assuming an existing commercial contractual relationship, e.g. sale, rental, lease, or handover based on a contract to a customer.

Theft or loss of a product from the producer shall not be regarded as an introduction to product circulation.

Handover of a work performed is the actual performance and acceptance of the work by the customer or a person authorised by the customer.

29. **Defective product** is a product which fails to guarantee the safety of its use or application which may reasonably be expected thereof.

30. **Employee** means a natural person who is in an employment relationship with the insured on the basis of an employment contract or an agreement on work performed outside the employment relationship.

31. **Livestock** means animals kept at the place of insurance for the purpose of profit-making.

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

1. Provisions of this OPP-SME-Z relating to the insured shall also apply mutatis mutandis to the policyholder (if the policyholder is a person other than the insured) and/or to any other beneficiary.