

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

Article 1

Introductory provisions

1. These OPP-SME for insurance of movable property (hereinafter referred to as the "OPP-SME-HV") supplement the provisions of the VPP-SME and form an integral part of 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

Insurance cover

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 applies also to movable property or stock owned by third parties only if these are used by the insured or has taken them over based on a written contract or job order for the purpose of providing a service being its authorized business object.
3. The insurance shall apply to the subjects referred to in para. 1 and 2 of this Article only if they have been registered in the accounts or any other mandatory records of the insured (job-order book).
4. Where insurance of a set of things has been arranged, the insurance shall also apply to objects which have become part of the insured set of things (which were 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 things 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 EUR 200 per employee and in addition
 - (b) all things of employees brought to the place of insurance at the request or with the consent of the employer in connection with the performance of work tasks, up to EUR 1 000.

The insurance of employee's things does not apply to stamps and vouchers, valuables, cash, and things excluded in para. 8 of this Article.

6. The insurance also covers "Supplementary subjects of insurance":
 - (a) Costs of removal of damaged movable property and stock (costs of vacation) - vacation of the place of insurance, including demolition of standing parts, removal of debris and other remains to the nearest landfill and the storage or destruction thereof,
 - (b) Costs of removal of any undamaged movable property and stock - dismantling or assembly of any undamaged movable property and stock,
 - (c) Costs of repair or recovery of firmly embedded or mounted glass - all types of glass including artificial glass of polycarbonate or polymethylmethacrylate (plexiglass):

- counters and show-cases,

- furniture, or any other movables,

damaged by any event other than a "listed" event (Article 3 para. 3 of these OPP-SME-HV).

- (d) Stamps and vouchers, valuables, cash in vaults - in the event of damage or destruction by theft or robbery at the place of insurance.
 - (e) Stamps and vouchers, valuables, cash in transit - in the event of damage or destruction by theft or robbery during transit.
 - (f) Works of art - things of artistic, collectable, historical value, antiques, in the event of damage or destruction by theft or robbery at the place of insurance.
 - (g) Exhibition models - models, designs, prototypes, exhibits and production equipment not usable for standard production.
 - (h) Data recovery costs - recovery of data carriers and data, accounting, production, and operating records stored therein.
 - (i) Costs of replacement of entrance door locks after loss of key - cost of replacement of entrance door locks to a building in the place of insurance and door locks from vaults and vault rooms in the place of insurance provided that the key was damaged, destroyed or lost as a result of theft or robbery, even outside the place of insurance.
 - (j) Small-scale interruption of operation (Fixed costs + extra costs) - the costs of preventing or reducing the interruption of operation due to an insured event as defined by DPP-SME-MPP.
 - (k) Return of VAT to the state budget of the Slovak Republic - value added tax (VAT) which is the insured being a VAT payer obliged to return to the state budget of the Slovak Republic (SR) for the insured things in the event of damage or destruction as a result of insured event.
 - (l) Any other "Supplementary subjects of insurance" if stated in the insurance policy.
7. Regarding the "Supplementary subjects of insurance" within the meaning of para. 6 of this Article, a default insurance claim payment limit of up to EUR 2,000 is arranged.

The insurance claim payment limit shall apply to the respective "Supplementary subjects of insurance" or these subjects of insurance joint into groups subject to the agreement in the insurance policy.

Regarding the "Supplementary subjects of insurance", higher insurance claim payment limits may also be agreed in the insurance policy.

8. The insurance does not apply to:
 - (a) motor vehicles, motor vehicle trailers which are manufactured or approved for the purpose of operating on the road and are subject to the registration of vehicles other than those registered as stock or other than mobile machinery of categories N, T, C, P, LS and towed or trailed machinery of categories O, R, S,
 - (b) aircrafts or other equipment capable of movement in the atmosphere, vessels, rolling stock,
 - (c) domestic, farm and wild animals and other species of higher organisms;
 - (d) forests, overgrowth, and plants,
 - (e) things stored in the building at the time of the construction, installation or reconstruction works, provided that the construction, installation, or reconstruction works carried out

- has had any effect on the cause of or aggravation of the extent of the results of the damage;
- (f) software, electronic data, and other intangible assets,
 - (j) coin insertion machines or banknote insertion machines (including money-changing machines and money exchange machines), including their contents, as well as cash machines;
 - (k) movable property or stock placed outdoors in open air, under shelters or in open buildings, except for things which due to their nature (size, weight, resistance, etc.) are usually placed in such places (building material, metallurgical material, heavy machinery, agricultural equipment, etc.) with the exception of stocks of agricultural products and crops located outside the fenced area in the open air,
 - (l) building units, inflatable halls or tents and movables or stock placed in such places;
 - (m) things which are unused or unusable;
 - (n) movable property or stock stored in the building or structure for which a demolition permit has been issued;
 - (o) economic loss, lost profits,
 - (p) active media (e.g. fuels, lubricants, chemicals, filter media, coolants, catalysts), unless the damage to which was caused in a causal relationship with the insured event within the meaning of these OPP-SME-HV.

The insurance for the things referred to in points (a) to (p) of this paragraph does not apply even if they are part of the insured set of things.

10. Also, the insurance policy may stipulate that the insurance shall not cover subjects other than those mentioned in these OPP-SME-HV.

Article 3 Insured risks

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

2. Any of the following “listed” events (insured risk) may be “Contingency”:
- (a) fire,
 - (b) direct lightning strike,
 - (c) explosion,
 - (d) crash or fall of a flying object with crew;
 - (e) crash or fall of an unmanned flying object;
 - (f) sonic boom;
 - (g) atmospheric precipitation,
 - (h) smoke,
 - (i) hail,
 - (j) avalanche,
 - (k) crash of motor vehicle driven by the insured,
 - (l) crash of motor vehicle driven by a person other than the insured,
 - (m) tumble of trees, poles, and other objects,
 - (n) flood or inundation,
 - (o) high winds,
 - (p) weight of snow or icing;
 - (q) water from non-public distribution system,
 - (r) volcanic eruption,
 - (s) earthquake,
 - (t) landslide, collapse of rocks or soil;
 - (u) theft by breaking and entering,
 - (v) robbery,
 - (w) vandalism.

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

- (a) exposure to utility fire or radiant heat;
- (b) smouldering with restricted air access.

The insured risk **direct lightning strike** shall not cover any damage caused by overvoltage or induction to the equipment plugged in the electricity and/or data network.

The insured risk **explosion** shall not cover any damage caused by:

- (a) by explosion (reaction) in the combustion space of engines, barrels of firearms and in other equipment for which the energy of explosion is purposefully used,
- (b) by sonic boom,
- (c) to pressure tanks and facilities (boiler, pipeline, etc.) as a result of explosion in these pressure tanks or facilities due to their age, wear and tear, corrosion, or due to effects of sediments, slags, cavitation, and other lasting effects of the operation.
- (d) vacuum (implosion).

By the insured risk “**crash or fall of an unmanned flying object**” are not insured those damaging events which have not been reported to the Police Force of the Slovak Republic.

The insured risk “**atmospheric precipitation**” shall not cover any damage caused:

- (a) by soaking, drenching, or saturating with water which has not been formed by atmospheric precipitation,
- (b) by entry of atmospheric precipitation through openings in the roof or external walls caused by renovation, reconstruction, installations, or any similar works,

The insured risk “**smoke**” shall not cover any damage caused by permanent effects of smoke.

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

The insured risk “**crash of motor vehicle driven by a person other than the insured**” shall not cover any damage:

- (a) to the motor vehicles, mobile work machines and the cargo thereof,
- (b) which have not been reported to the Police Force of the Slovak Republic.

The insured risk “**flood**” shall not cover any damaging events occurring as a result of:

- (a) flood or occurring in a direct connection with the flood within 10 days following the conclusion of the insurance unless otherwise agreed in the insurance policy,
- (b) regulated drainage of waters from watercourses.

The insured risks “**flood**” and “**inundation**” shall not apply to any damage:

- (a) caused to any things placed in watercourse structures (water-gates, trunks, small hydro-electric power plants, embankments, pavements of banks etc.) if the peak flow rate in the place of insurance has not reached at least the level of twenty-year flow rate; the twenty-year flow rate is the peak flow rate of the water flow that is the long-term average reached or exceeded once every twenty years,
- (b) by scorching, putrefaction (rotting),
- (c) caused by flood or inundation which regarding the situation in the place of insurance can be expected, i.e. where the incidence of flood or inundation in the place of the insurance is more frequent than once per ten years prior to the date of the damaging event,
- (d) caused by malfunctions of closures preventing the return of water from the sewer,
- (e) by increase in groundwater levels not caused by flood or inundation;
- (f) rise of water level of water reservoirs, lakes, sea, or ocean.

The insured risk “**inundation**” shall not cover any damage caused as a result of formation of a water area caused by the insured risk water from non-public distribution systems.

The insured risk “**weight of snow or ice**” shall not cover any damage:

- (a) occurred as a result of failure to maintain the roof of the building (structure) or as a result of improper construction of the roof,

- (b) occurred directly or indirectly as a result of dilapidated, rotten, or otherwise deteriorated roof and of other supporting structures.

The insured risk **“water from non-public distribution systems”** does not apply to:

- (a) costs incurred in connection with leakage of water or other medium (water, sewage, etc.),
- (b) any damage caused by rise of water from sewer pipes,
- (c) any damage caused by pressure testing, repair, or maintenance of water supply equipment,
- (d) any damage caused by water leaking from roof gutters and external downpipes for atmospheric precipitation;
- (e) any damage caused by sedimentation of soil if caused due to a reason other than water from non-public distribution systems.

The insured risk **landslide, collapse of rocks or soil** (for the purpose of this paragraph hereinafter referred to as “landslide”) shall not apply to:

- (a) any damage if, in geological terms, at the time of conclusion of the insurance policy the landslide has already began,
- (b) any damage caused by landslide which with regard to the situation in the place of insurance may be expected, i.e. the occurrence of the landslide has been more frequent than once per ten years prior to the date of the damaging event,
- (c) any damage if the landslide has been caused by any industrial, construction, or human activity,
- (d) any damage caused by sedimentation of soil,
- (e) any costs incurred in connection with field any engineering following the landslide.

The insured risk **“theft”, “robbery”** or **“vandalism”** shall not apply to any damage:

- (a) which has not been reported to the Police Force of the Slovak Republic,
- (b) where the insured has not allowed the insurer access to the police investigation or similar police file and at the request of the insurer has not provided copies of the documents contained therein,
- (c) caused by embezzlement,
- (d) caused by loss, i.e. by ordinary theft or robbery without overcoming any security measures against theft or vandalism, except for any case referred to in para. 4 of this Article of these OPP-SME-HV,
- (e) caused by deliberate action of the employees of the insured, if such action was carried out at the place of insurance during the period when access to the place of insurance of such employees was allowed,
- (f) upon finding differences in inventory checks or audit;
- (g) to transported valuables, stamps and vouchers and cash which occurred between 10:00pm and 6:00am,
- (h) of aesthetic nature (painting, spraying, covering with stickers, engraving, etc.), which do not affect the functionality of the insured thing, in excess of the costs of repainting or cleaning the part of the object that has been deteriorated, e.g. in the case of a multi-storey building, repainting to the level of those floors which have been directly affected by the deterioration.

3. “Contingency” may also be any event other than the “listed” events (paragraph 2 of this Article of these OPP-SME-HV), which is not excluded by the VPP-SME, OPP-SME-HV, DPP-SME, by the insurance policy or further excluded in this paragraph:

- any damage to insured glass is no contingency if caused:
 - (a) in transit,
 - (b) during installation, assembly, or dismantling,
 - (c) caused by its scratching, painting, spraying, covering with stickers or by other similar means,
 - (d) caused in defrosting,
 - (e) by exposure to radiant heat when removing paint or stickers;
 - (f) which is part of greenhouse, unless otherwise specified in the insurance policy.

- any damage to the insured thing is no contingency if caused by:
 - (a) permanent exposure to operation, natural wear and tear or aging, premature wear, and tear,
 - (b) due to permanent exposure to moisture, thermal, chemical, electrical, or mechanical effects,
 - (c) corrosion, erosion, rust, oxidation, sediments of all kinds,
 - (d) normal atmospheric conditions to be taken into account depending on the season and local circumstances;
 - (e) natural properties of the thing, regardless of any other co-causes,
 - (f) short circuit, voltage fluctuations, overvoltage, induction,
 - (g) construction defect, error in project,
 - (h) defects in material or workmanship, internal or latent defects or fatigue of the material;
 - (ch) error of the operator, clumsiness, negligence, faulty rendition, work error,
 - (i) malfunction of measuring, control, regulation or safety devices,
 - (j) lack of water, oil, or lubricants;
 - (k) error in connection with any repair, maintenance, reconstruction, modernization, testing and modifications,
 - (l) process of processing, machining, manufacturing, packaging, treatment, testing or commissioning;
 - (m) plants, fungi, mould, or similar organisms and any by-products or infestation thereof (mycotoxins, spores, etc.),
 - (n) genetic changes of animals or plants;
- any damage for which by operation of law or based on a contract the supplier or contractor of the insured is liable, including any damage covered by warranty of the manufacturer, contractor, or service provider, shall be no contingency.

4. The insurance covers damage, destruction, or loss of the thing being subject of the insurance which occurred in a causal connection with the contingency referred to in para. 2 and 3 of this Article of these OPP-SME-HV (consequential physical damage), for which the right of the insured to insurance claim payment has arisen.
5. In the insurance policy may be agreed that the insurance shall also not cover other contingencies or risks than those specified in these OPP-SME-HV.

Article 4

Territorial scope and the place of insurance

1. Unless otherwise specified in the insurance policy, the insurance shall apply to insured things only if the damage to the thing subject to insurance 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 arranged, the place of insurance is the place stated in the insured’s accounts as the place of operation. If any insured thing belonging to the set is subject to a lease agreement where the policyholder is specified as the lessor, the place of insurance of such thing shall be the place specified in the accounts of the lessee as the place of operation.
3. Where the insurance of things itemized and specified in the insurance policy (selection) is arranged, the place of insurance shall be the place indicated in the insured’s accounts as the place of operation, unless the insurance policy indicates that the place of insurance is a building, room or place located in the territory of the Slovak Republic defined in the insurance policy by address or cadastral territory and plot (land) number where the insured things are located.

In the event of any insured event only as a result of unconscious mistake or unintentional omission:

- (a) when indicating the place of insurance where the insured thing is located, or
- (b) as a result of not including a place:
 - (i) owned, rented, or leased by the insured at the date of start of the insurance; or
 - (ii) purchased, rented or lease commenced during the term of the insurance;

then the insurance shall also apply to these places to the extent which would have been covered by the insurance in the

absence of such unconscious mistake or unintentional omission, provided that any unconscious mistake or unintentional omission must be reported by the policyholder or the insured together with the date of findings and recording the repair.

However, this shall not increase the sums insured and insurance claim payment limits specified in the insurance policy and shall not relieve the policyholder or the insured of the obligation to report any new place of insurance to the insurer no later than 90 days after the first use by the insured.

4. With regard to any valuables, stamps and vouchers and cash during transport, the place of insurance is the territory of the Slovak Republic, unless stated otherwise in the insurance policy.
5. The place of insurance with regard to:
 - (a) self-propelled work machines, mounted work machines and machines being trailers;
 - (b) portable (mobile) electronics and electronics embedded in a motor vehicle,
 - (c) movable property or stock taken over by an employee of the insured under instruction or with the consent of the employer for the purpose of performing his/her work tasks outside the place of insurance,is the territory of the Slovak Republic, unless stated otherwise in the insurance policy.
6. The insurance applies also to the place where the insured things 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 things were transferred to such place only if the insured has within 14 days notified the insurer thereon and at the same time has provided the insurer with the address and list of transferred things.

Article 5

Insured value, sum insured, insurance claim payment limit

1. The insured value is the value of the insured thing at the time the insurance is arranged and shall be decisive for determining the sum insured.
2. The insured value may be:
 - (a) **Replacement value** - the value to be incurred at the place of insurance for the re-acquisition of the same thing or a thing of a comparable type, kind, quality, and parameters,
 - (b) **Par value** - for money and stamps and vouchers, unless otherwise specified in the insurance policy,
 - (c) **Other value**, if agreed in the insurance policy.
3. Where the insurance policy fails to stipulate for any subject of the insurance the insurance claim payment limit, the sum insured shall represent the upper limit of the insurance claim payment per one insurance period as well as shall serve as the basis for calculation of the premium. The sum insured shall be determined for each item of the subjects of insurance and should correspond to their insured value.
4. The total sum insured for the insurance of a set of things or selection of things specified in the insurance policy shall be the sum of the sums insured of the respective insured things of which the set of things or the selection of things consists.
5. The sum insured is determined by the policyholder who shall be responsible for its correctness.
6. If at the time of the insured event the sum insured of the insured thing or the set of things is lower than its insured value by more than 15%, the insurer shall have the right to reduce the insurance claim payment by the same ratio as is the insured sum to the insured value of the insured thing or the set of things.
7. The insurance policy may stipulate insurance claim payment limits for each individual subjects of insurance, sets of things, selections of things, respective insured risks, or groups of insured risks. This type of insurance and the amount of the insurance claim payment limit must be explicitly stated in the

insurance policy; in case of this type of insurance paragraph 6 this Article shall not apply.

8. The insurance claim payment limit for the main subjects of insurance (movable property and stock) shall be agreed within the sum insured of the insured things and thus shall not increase sum insured thereof.
9. The insurance claim payment limit represents the upper limit of the insurer's payment for one and at the same time for all insured events occurring during one insurance period.
10. Unless explicitly agreed otherwise in the insurance policy, the insurer shall provide insurance claim payment during one insurance period for all insured events max. in the amount of:
 - (a) EUR 3 000 000,00 for insured events caused by hail,
 - (b) EUR 3 000 000,00 for insured events caused by flood or inundation;
 - (c) EUR 3 000 000,00 for insured events caused by high winds,
 - (d) EUR 3 000 000,00 for insured events caused by volcanic eruption,
 - (e) EUR 3 000 000,00 for insured events caused by earthquake,
 - (f) EUR 3 000 000,00 for insured events caused by landslide, collapse of rocks or soil.
11. In accordance with Art. 13 Insurance Claim Payment, para. 2 a so-called default renewal of the sum insured or payment limit is agreed. In such a case, after having paid the insurance claim payment, the sum insured or the payment limit shall be renewed to its original amount, i.e. it shall be increased by the difference resulting from the reduction of the sum insured or the insurance claim payment limit due to the payment of the insurance claim payment. The policyholder shall be obliged to pay proportional premium corresponding to the increase of the sum insured, or payment limit. For avoidance of any doubts, should the indemnity claim resulting from an insured event exceed the agreed sum insured or the payment limit, then the insurance claim payment limit is limited by the agreed amount of the sum insured or payment limit and it shall not be possible to claim the insurance claim payment of the renewed sum insured or payment limit.

Article 6

Insurance claim payment

1. The insured's right to insurance claim payment (insurance indemnity) of the insurer arises if an "insured event" occurred.
2. "Insured event" means any "contingency" entailing the insurer's obligation to pay the insurance claim payment (Article 3 of these OPP-SME-HV).
3. "Contingency" means any event occurring unexpectedly and suddenly at the place of insurance during the term of the insurance and which at the time of conclusion of the insurance policy the insurer and the insured assume that it may occur, but it is uncertain whether or not it will occur or when it occurs.
4. In the event of any damage, destruction or stealing of the subject of insurance (Art. 2 of these OPP-SME-HV) as a result of the insured event the insured shall have the right to obtain from the insurer the insurance claim payment in the amount of reasonable and economical costs usual in the time and at place the occurrence of the insured event incurred to re-acquire or repair the insured thing, whichever is the lower of these amounts.

The reasonable costs:

 - (a) include costs associated with the placement or installation of the repaired or re-acquired thing in the place where it was before the insured event;
 - (b) do not include any wage or salary surcharges for overtime work or night work, work during holidays and leisure time, travel and accommodation costs of technicians and experts from abroad, expert appraisal costs, earthwork and excavation costs, additional project planning costs, transport costs of sending the damaged thing for repair abroad, including express surcharges and air transport of spare components.

5. Any insurance claim payment regarding stock produced by the insured or expired stock shall be limited by the realizable sale price thereof.
6. In the event that any insured event other than a “listed” event occurred to **glass**, the insurer shall also reimburse also any reasonably incurred costs for 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 insurance claim payment resulting from the insured risk breaking of glass shall not exceed the insurance claim payment limit agreed for the subject of insurance.
7. If the insured paper-form securities, cash, or stamps and vouchers are damaged, destroyed or stolen as a result of an insured event, the insurer shall pay with regard to:
 - (a) paper-form securities or cash, 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 or cash 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 has been reduced at par value thereof.
8. In the event of stealing of the key from the entrance door of the insured’s operation by theft by breaking and entering or robbery, the insurer shall reimburse the necessary costs of:
 - (a) replacement of the entrance door lock,
 - (b) blocking of the stolen chip keys, the purchase and programming of new chip keys, in the case of doors equipped with a magnetic lock.

If the lock is blocked due to any **theft by breaking and entering** 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 replacing the entrance door lock.

The aforementioned provisions shall also apply to locks, 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 the insurance claim payment by the insurer if the insured thing has been damaged, destroyed or stolen in connection with the commission of or attempt to commit these offences regardless of whether these offences occurred or not.
10. In the event the insured thing has been destroyed or stolen which had been insured as to replacement value, the insurer shall only provide the insurance claim payment exceeding the time value if:
 - (a) its actual technical condition determined in accordance with generally binding legal regulations is higher than the residual operability percentage of the thing determined by or provided for in these regulations,
 - (b) within three years of the occurrence of the insured event, the insured shall carry out the re-acquisition of the thing of same type, kind, quality and parameters in the place of insurance or also in another place within the territory of the Slovak Republic, if re-acquisition in the place of insurance is not feasible due to legal or economic reasons.

Time value is the replacement value reduced by the amount corresponding to the degree of wear and tear of the thing or other deterioration of the thing.
11. The insurer shall provide the insurance claim payment for all insured events occurring during one insurance period up to a maximum amount of:
 - (a) the sum insured determined for the relevant insured thing;

- (b) the aggregate insurance claim payment limit agreed in the insurance policy for the relevant insured thing, set or selection of insured things;
 - (c) the aggregate insurance claim payment limit agreed in the insurance policy for the relevant insured risk.
- For the amount of the insurance claim payment the lower of the above amounts shall be decisive.
12. If as a result of occurrence of an insured event the insurer is obliged to provide the insurance claim payment, then the insured:
 - (a) being a value added tax (hereinafter referred to as “VAT”) payer shall be paid the insurance claim payment by the insurer without VAT; except in the case where the insured thing was stolen and VAT was included into the sum insured, in such a case the insurer shall pay the insurance claim payment including VAT,
 - (b) being non-VAT payer shall be paid the insurance claim payment by the insurer including VAT, however, provided that the VAT is included into the sum insured of the insured thing specified in the insurance policy.
 13. After the insurance claim payment has been paid, the sum insured or the insurance claim payment limit for the relevant item of the subject of insurance shall be reduced by the amount of the paid insurance claim payment. The amount of the sum insured or of the insurance claim payment limit shall be automatically increased to its original value after payment of the relevant premium. This supplementary payment of the premium shall be deducted from the insurance claim payment.

Article 7

Security measures for protection of the insured property

1. The right to insurance claim payment in the event of **fire** arises if the following subjects of insurance were, at the time of the occurrence of the insured event, stored in properly closed safekeeping objects with fire resistance according to the standard EN 1047-1:
 - (a) S 60 P applicable to cash, stamps and vouchers and valuables at the place of insurance (exclusive of any transport thereof) or documentation,
 - (b) S 60 D applicable to optical media (CD, DVD, Blue-ray discs) and flash memory (flash drives, memory cards),
 - (c) S 60 DIS applicable to floppy disc media.
2. The right to insurance claim payment in the case of theft, robbery or vandalism arises if the subject of the insurance was at the time of the occurrence of the insured event secured in accordance with the security measures for protection of the insured property against stealing or vandalism, which are contained in the supplementary insurance terms and conditions for the insurance of sole traders and small-sized enterprises (hereinafter referred to as “DPP-SME-ZMOV”).

Article 8

Obligations of the insured

1. In addition to the obligations stipulated by the VPP-SME, 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 it is regularly inspected;
 - (c) ensure adequate heating of the building (structure) in the cold season;
 - (d) turn off the water supply and drain the pipe in the event of water supply pipe damage.
2. The insured is obliged to ensure:
 - (a) the functionality of all locking and locking mechanisms;
 - (b) the operation, maintenance, and inspection of the electronic security system in accordance with the instructions for 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 service 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 in:

- (i) a properly enclosed and locked vault or locker located in a properly enclosed and locked enclosure which is secured at least at a level consistent with that of the keys and controls; or
- (ii) a permanently guarded enclosure (e.g. a gatehouse with staff),

if the conditions set out in (i) and (ii) cannot be met,

(iii) 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. in the event of unlocking the lock upon successful verification of the identification element (chip key, access key card, biometric data, access code) to keep a record of any identification elements provided together with identification of persons to whom the identification element has been provided.

3. The insured is obliged to ensure that at the time of the occurrence of any insured event:

- (a) any openable windows, skylights, shop windows, etc. are duly closed from the inside and, if openable from the outside, must be properly locked,
- (b) any doors, gates, and entrance gates are properly closed and locked;
- (c) the electronic security system in surveillance mode (activated),
- (d) any vaults are properly closed and locked;
- (e) any bags and luggage used for the carriage of valuables, stamps and vouchers and cash are properly closed and, where required by the DPP-SME-ZMOV, also locked.

Article 9

Definitions - subjects

1. **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.
2. **Stamps and vouchers** are deposit and check books, payment cards, securities, postage stamps, stamps, lottery tickets, public transport tickets and coupons, rechargeable coupons for mobile phones, vignettes, meal vouchers, etc.
3. **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 of more than EUR 160,00.

Any 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 into the machine, are not valuables. However, these items are considered as valuables provided that they were not part of the insured machine when the damaging event occurred.

4. **Movable property** are individual movables and sets of movables which are not real 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) machinery, devices, 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 purpose 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.

5. **Structural fastener** means any fixed connection of the appurtenances of any structure or building with a real property of a detachable or non-detachable kind. Detachable connection means any connection for the disconnection of which at least a hand-held tool must be used. Non-detachable connection means any connection in case of which it is not possible to disconnect the insured thing without destroying the connection and/or the insured thing.
6. **Real property** means buildings, halls, and structures, including their structural components and appurtenances.
7. **Cash** means the applicable domestic and foreign banknotes and coins.
8. **Appurtenances of buildings or structures** are those things which are intended to be permanently used with the building or structure and usually are detachably connected inside or outside the building or structure (electronic security systems (EVS), electronic fire alarm systems (EPS), antennas, CCTV systems, shading technology, mechanical barriers exclusive of mechanical barriers located outside the buildings or structures and those which are by their nature building components (e.g. windows, doors), etc.). Any external connections, roads, paved surfaces, wells, septic tanks and other structures or equipment outside the building or structures are not regarded as appurtenances of the building or structures.
9. **Structure** is a structural construction built by construction works from construction products which is firmly connected with the ground or the placing of which requires adjustment of the ground. Structures are according to their construction-technical design divided into buildings (ground-based structures) and civil engineering structures. Firm connection with the ground means:
 - (a) any solid foundation connection;
 - (b) any fastening by mechanical parts or by welding to any solid foundation in the ground or other structure;
 - (c) any anchoring by piles or ropes with anchors in the ground or other structure;
 - (d) connection to networks and devices of the technical equipment of the territory,
 - (e) underground installation.
10. **Structural components of buildings or structures** are things which due to their nature belong to the building or structure, and generally these things are integrated into the building or structure or are attached to them with structural fasteners, namely:
 - (a) internal distribution systems of cold and hot water (including central heating distribution systems), steam and the associated control and measurement equipment, internal sewerage distribution system, internal waste shafts, internal distribution system of air (air-conditioning and ventilation) and gas, distribution system of fire-fighting equipment including fire-extinguishing equipment,
 - (b) internal wiring including ceiling and wall lightings and associated switchboxes and switchboards, low-voltage and telecommunication internal wiring including security and safety equipment, data network wiring, lightning rods, passenger and freight lifts, local and central heating including boilers and heat exchangers,
 - (c) built-in structures (e.g. made of metal) for attaching equipment and objects, crane runway structures including rails and collectors;
 - (d) 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;
- (e) basic fittings and equipment associated with the construction work (sanitary equipment, faucets, hand dryers, kitchen ranges, glass ceramic hobs, kitchen hoods, boilers),
 - (f) exterior lighting of structures and buildings other than production and operational lighting equipment, lighting of high-rise buildings, traffic signs and traffic designations.
11. **Set of things** consists of individual things having the same or similar nature or intended for the same purpose of use/utilization. The insurance of specifically itemised things of this nature is called the insurance of **selection of things**.
 12. **Storage facilities** are areas delimited by a special construction which guarantees maximum achievable safety for items stored therein against any damage or destruction. For the purposes of these OPPZ, storage facilities are double-clad fire-resistant with insulating filling.
 13. **Personal belongings of the insured's employees** are things that are normally carried to work or which are stored by the insured's employee while carrying out work tasks or in direct connection therewith at any place where such things are usually stored and such place is located at the place of insurance.
 14. **Stock** means materials or goods which are as inventory recorded in the books of the insured and DHM, which in accordance with the accounting procedures the entity chooses not to classify as tangible fixed assets.

Article 10

Definitions - risks

1. **Sonic boom** is a shock wave induced by 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, hail, and hoar frost) falling to the earth's surface from all kinds of clouds, i.e. vertical precipitation.
3. **Smoke** means any smoke which has suddenly leaked from combustion, heating, drying or boiling equipment.
4. **Erosion** is the physical process of disruption and removal of parts of the earth's surface by external (exogenous) factors.
5. **Theft** means illicit appropriation of the insured thing by a third party where the offender has taken possession of the thing 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 by break and enter or robbery;
 - (c) got to the place of insurance by any means other than that referred to in (a) or (b) of this paragraph, whereas leaving behind trace evidence proving its unauthorized presence or other there are other evidence (e.g. surveillance camera records) confirming the intrusion and presence of the offender.
6. **Hail** is a phenomenon when lumps of ice formed in the atmosphere fall to the earth's surface.
7. **Avalanche** is a sudden fall of snow or ice cover from natural slopes including atmospheric pressure (shock wave) caused by the avalanche.
8. **Robbery** means illicit taking possession of a thing by any offender:

- (a) using violence or threat of imminent violence against the insured, its employee, any other beneficiary or any person entrusted by the insured,
 - (b) taking advantage of the reduced resistance of the insured, employee of the insured or the beneficiary, or as a result of their physical weakness following an accident (not in a causal context of 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 point are persons to whom the insured entrusted the insured things, persons entrusted with guarding any goods in transport, or persons entrusted with guard service.

9. **Mycotoxins** are toxic organic substances which are produced by several microscopic fungi.
10. **Crash or fall of an unmanned flying object** is any crash or fall of any 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).
11. **Crash or fall of a flying object with crew** is any crash or fall of any flying object with crew (airplane, skimmer, helicopter, airship, hot air balloon, rogallo wing, etc.), of its the parts, objects or crew that have fallen therefrom. Crash or fall of a flying object with crew 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.
12. **Crash of motor vehicle driven by the insured** means a crash of any motor vehicle or mobile work machine (this term hereinafter only as the "crash of the vehicle") driven by the insured, its employees or by persons living with the insured in the same household. Crash of the vehicle also means any crash of cargo of the vehicle or objects thrown out of the vehicle due to the crash of the vehicle.
13. **Crash of motor vehicle driven by a person other than the insured** means a crash of any motor vehicle or mobile work machine (this term hereinafter only as the "crash of the vehicle") driven by a person other than the insured, its employees or by persons living with the insured in the same household. Crash of the vehicle also means any crash of cargo of the vehicle or objects thrown out of the vehicle due to the crash of the vehicle.
14. **Stealing** is damage caused by any of the insured risks:
 - (a) theft.
 - (b) robbery.

within the scope agreed in the insurance policy concluded between the insured and the insurer.
15. **Tumble of trees, poles and of other objects** is any motion of trees, poles and other objects having signs of fall generated by the earth's gravity whereas the object does not form any part of the insured thing.
16. **Entrusted person** is an employee of the insured aged at least 18 years having no criminal records and with full legal capacity, and is medically fit, physically, and mentally competent to perform the activity for which he/she has been entrusted.
17. **Flood** means flooding of spaces in the place of insurance with water which has overflowed the banks of surface waters (rivers, lakes, dams, etc.) or made these banks burst; in case of any dammed watercourse the dam supporting mass is regarded as the banks of the watercourse. Flood also refers to:
 - (a) increase of groundwater level due to the flooding or atmospheric precipitation in the place of insurance,
 - (b) backward rise of water from sewer pipes caused by flood and atmospheric precipitation in the place of insurance.

18. **Fire** means any fire in a form of visible flame that has been created off the designated fireplace or which has exited the fireplace and by its own natural force has spread or has been intentionally created and/or spread by the offender; as fire is also regarded any associated phenomena thereof in form of heat and combustion products resulting from fire and the effects of the extinguishing medium used in the firefighting.
19. **Premature wear and tear** of equipment occurs when the equipment is operated contrary to the technical conditions (use of the equipment for purposes not intended, neglect of maintenance and prophylactics, permanent oversizing of the equipment's operating parameters due to misalignment of the equipment, etc.) resulting into its accelerated wear and tear or accelerated wear and tear of parts, components or features of the equipment.
20. **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) taking advantage of the reduced resistance of the insured or the entrusted person or as a result of their physical weakness following an accident (not in a causal context of 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.
21. **Direct lightning strike** is the direct effects of the energy of the lightning or of the heat of the discharge thereof on the insured thing including damage or destruction of the insured thing by a flying object the fall of which has been caused by the lightning strike.
22. **Natural wear and tear** for the purposes of this insurance means the gradual process of wear of equipment caused by its use during operation or other long-term active external effects (permanent exposure to chemical, thermal, mechanical, and electrical effects, etc.). It is manifested mainly by the gradual decrease of the values of the parameters set by the manufacturer for the given type of equipment.
23. **Prophylactics** is a regular control, adjustment, and calibration activity to ensure accurate operation of machinery, technology, and equipment.
24. **High winds** are the dynamic effects of the air mass moving with a speed of 65 km/h (18.06 m/s) and more. If such speed has not been ascertained with regard to the place of the occurrence of the damage, the insured shall prove that the air circulation has caused the damage in the surroundings of the insured thing to the duly maintained buildings or to any equally resistant things or that given the free-of-defects condition of the insured building or structure in which the insured things are placed the damage could have occurred only as a result of high winds. For the purpose of determination of the speed of the wind only the measurement carried out by the Slovak Hydrometeorological Institute shall be recognized. Any insured events caused by fall or throw of objects onto the insured thing shall also be covered by the insurance within the high winds provided that high winds have caused such fall or throw. For the purposes of determining the wind speed, only measurements made by the Slovak Hydrometeorological Institute are accepted. Within a severe wind, insured events are also insured due to a fall or throwing of objects on the insured thing if the fall or throw was caused by a strong wind.
25. **Breaking of glass** means breaking of glass by any accidental event other than stated in Article 3 para. 2 of this OPP-SME-HV which is not excluded by the VPP-SME, the OPP-SME-HV, the DPP-SME or by the insurance policy. Breaking of glass also refers to its fragmentation, cracking, or such damage that the replacement thereof is essential due to occurrence of imminent threat to life or to other property.
26. **Embezzlement** means unauthorized appropriation of the entrusted insured thing.
27. **Weight of snow or ice** means the destructive effect of excess weight of snow or ice on roof coverings and supporting or other building structures. The excess weight of snow or ice refers to the load of the structural construction exceeding the determined data set forth by the applicable regulations at the time of the final inspection of the building (structure). Any leakage of melted snow or melted ice water into buildings through an opening as a result of damage to the structural components due to the weight of snow or ice shall also be regarded as insured event caused by weight of snow or ice.
28. **Vandalism** means any intentional damage or intentional destruction of:
- (a) any accessible available insured thing or any insured thing situated in an area immediately adjacent to a publicly accessible place;
- (b) caused inside any real property;
- committed by a third party (offender), i.e. a person other than the policyholder, the insured or the person acting on their initiative or as per their instruction.
29. **Water from non-public distribution systems** means any unexpected and sudden leakage of water, steam, or liquid:
- (a) inside any building or structure from any permanently installed water or sewage pipes, heating, air-conditioning, solar or fire-fighting systems, including connected sanitary installations, fittings or equipment connected to such systems,
- (b) from internal pipes and downpipes on the building envelope intended to remove any atmospheric precipitation,
- (c) from tanks of more than 50 litres not forming part of the systems referred to in point (a) of this paragraph;
- The equipment referred to in points (a) to (c) is for the purpose of this OPPZ **water supply equipment**.
30. **Open air area** means any area outside the interior of a building or structure.
31. **Explosion** means a sudden destructive display of a shock wave formed due to the expansion of gases or vapour. Explosion of pressure tank with compressed gas or vapour (boiler, pipes, etc.) means a sudden burst of its walls to such an extent resulting into a sudden equalization of pressure between the inner part of the tank and the external environment.
32. **Volcanic eruption** means a release of pressure caused by rupture of the earth's crust associated with eruption and casting of lava, outflow of ash and of other materials or gases.
33. **Inundation** means a contiguous water area formed by natural forces that stands or flows for some time in the place of insurance. As inundation is also regarded:
- (a) increase of groundwater level due to flooding or atmospheric precipitation in the place of insurance,
- (b) backward rise of water from sewer pipes caused by flooding and atmospheric precipitation in the place of insurance.
34. **Earthquake** means shakes of the earth's surface resulting from the motion of the earth's crust with at least the 6th degree of the European macroseismic scale (EMS-98) in the place of insurance.
35. **Landslide, collapse of rocks or soil** is a sudden and unforeseen slip or collapse of soil, ground or rocks caused by natural and climatic forces including any objects set into motion by the landslide.

Article 11

Closing provisions

1. These OPP-SME-HV form an integral part of the insurance policy and the parties may modify the provisions hereof by agreement in the insurance policy.
2. The provisions of these OPP-SME-HV concerning the insured shall also apply to the policyholder (if the policyholder is a person other than the insured) and/or to any other beneficiary.
3. These OPP-SME-HV shall enter into force on 01.10.2019.