

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

Article 1 Introductory provisions

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

1. The insured has the right that within the scope of the terms and conditions of the insurance the insurer shall indemnify the aggrieved party on behalf of the insured for the damage for which the insured is liable caused by the insured activity to property and/or to health whereas:

(a) damage to property means any physical harm of a tangible thing including any subsequent material loss or lost profits arising out from the loss of ability to use the damaged thing or from the loss of functionality of the damaged thing,

(b) damage to health means any corporal injury of a person including any disease or killing and any damage to property including lost profits resulting thereof; whereas as damage to health shall also be regarded any recourse claim of the Social Insurance Agency and/or health insurance companies related to the damage to health of any persons other than the employee of the insured.

2. The insurance shall only cover damage which has occurred as a result of a damaging event during the term of the insurance coverage for which the insured is liable within the scope of the insurance terms and conditions (the "**Loss Occurrence**" insurance principle).
3. The insurance shall also cover any damage having occurred during the term of the insurance coverage as a result of *defective work or defective product* that have been carried out, omitted, produced, or introduced into circulation solely during the term of the insurance coverage.
4. The insured shall also be entitled to be compensated for any reasonably incurred costs:
 - a) which the insured spent in order to prevent the occurrence of damage covered by the insurance and/or to prevent the aggravation of the damage which has already occurred and is covered by the insurance; not applicable to any costs incurred by the police, firefighting and emergency medical services unit or any other entity that is legally obliged to intervene on behalf of the public interest. The amount of these costs shall be limited up to a maximum amount of 20% of the insurance claim payment for liability insurance, unless otherwise stated in the insurance policy, whereas the insurance pursuant to this paragraph shall not cover any costs incurred by the insured for maintenance, repair, replacement or improvement of the operating equipment or facilities;
 - b) of legal defence (max. up to the amount of the attorney tariff remuneration) in connection with the legal claim raised vis-à-vis the insured as a result of any damage covered by the insurance and even in such a case where the legal claim has been raised vis-à-vis the insured unlawfully, however, this all applies only if

the acts of defence of the insured have been approved by the insurer in advance. In lieu of the reimbursement of costs the insurer shall be entitled to appoint to the insured for a necessary time a legal representative that shall represent the insured in the damages' proceedings at the expense of the insurer.

The insurer reserves the right to investigate, scrutinize and in its own discretion amicably settle any claim.

The legal defence costs shall not increase the insurance claim payment limit and the insurer shall provide the compensation thereof along with the damages up to the maximum amount of the insurance claim payment limit or of the sublimit if the legal defence costs relate to the claims arising of the insured risk limited by the insurance claim payment sublimit in the insurance policy.

5. Unless otherwise stated in the insurance policy, the insurance shall cover any damage occurring in the territory of Slovak Republic, Czech Republic, Hungary, Poland, or Austria.
6. Subjects of the insurance are also the following "Supplementary subjects of the insurance":
 - a) any recourse claims of the Social Insurance Agency and/or health insurance companies related to occupational injuries of the employees of the insured up to the payment limit in the amount of EUR 2,000 at the basic price of the insurance within the meaning of these OPP-SME-Z;
 - b) damage to real property which have been pursuant to a written agreement rented or given into use to the insured for operation of the "Insured activity" of the insured up to the payment limit in the amount of EUR 2,000 at the basic price of the insurance within the meaning of these OPP-SME-Z; whereas any damage having occurred to these real properties due to any wear and tear, undue mechanical load or use in violation with the designated purpose thereof is absolutely excluded from the insurance coverage;
 - c) damage to any stored belongings of the employees of the insured up to the payment limit in the amount of EUR 2,000 at the basic price of the insurance within the meaning of these OPP-SME-Z per one thing and together for several things per one insurance period in an amount up to five-times the agreed payment limit if the limitation of liability of the insured for damage with regard to the stored belongings of the employees is not prejudiced under the generally binding legal regulations, in such case the insurer shall provide the insurance claim payment only up to the amount determined by the generally binding legal regulations regardless the fact whether the employee has been with the insured in an employment relationship; whereas this coverage shall also apply to any damage caused by theft if committed by stealing of the stored belongings of the employees of the insured by overcoming any barrier or measures protecting the stored belongings of the employees of the insured against theft;
 - d) damage to any brought-in and stored belongings of visitors up to the payment limit in the amount of EUR 2,000 at the basic price of the insurance within the meaning of these OPP-SME-Z per one thing and together for several things per one insurance period in an amount up to five-times the agreed payment limit if the limitation of liability of the insured for damage with regard to the brought-in and stored belongings of visitors is not prejudiced under the generally binding legal regulations, in such case the insurer shall provide the insurance claim payment only up to the amount determined by the generally binding legal regulations; whereas this coverage

shall also apply to any damage caused by theft if committed by stealing of the brought-in and stored belongings of visitors of the insured by overcoming any barrier or measures protecting the brought-in and stored belongings of visitors of the insured against theft;

e) environmental damage up to the payment limit of EUR 2,000 at the basic price of the insurance and under the terms and conditions of the DPP-SME-EL,

f) damage for which the directors or managers (managing employees) are liable in connection with the performance of their office up to the payment limit of EUR 2,000 at the basic insurance price and under the terms and conditions of the DPP-SME-DO.

7. With regard to the "Supplementary subjects of the insurance" according to para. 6 of this Article, the insurance policy may stipulate insurance claim payment limits higher than those referred to in par. 6 this Article.

8. The extent of damages provided by the insurer is limited by the insurance claim payment limit and by other sublimits agreed in the insurance policy and in these OPP-SME-Z. The sublimit agreed in the insurance policy or the stated in these OPP-SME-Z does not increase the insurance claim payment limit.

Article 3 Insurance exclusions

1. The insurance shall not cover the risks indicated below either, however, subject to an agreement with the insurer these may be additionally insured; yet, unless otherwise stated in the insurance policy, the insurance shall not cover:

- (a) any damage having occurred due to damage to health of the employee or resulting from occupational diseases,
- (b) liability of the insured for damage and destruction of movable things that have been taken over by the insured for the purpose of manufacturing, repair, modification, sale, safekeeping, transport, storage, or provision of expert assistance (*things taken over*);
- (c) liability of the insured for damage and destruction of movable things that have been taken over by the insured for use for the purpose of performance of operations (*things which are used*);
- (d) any damage that does not directly result from material damage to a thing or from damage to health (*net financial loss*);
- (e) liability of the insured for any damage to things as a result of sudden and unforeseen emission of pollutants (accidental pollution);
- (f) any claims regarding the infringement of rights relating to personality or any other costs incurred due to the existence of non-material loss,
- (g) any damage caused as a result of damage or loss of functionality of elevated and underground conduits of any kind;
- (h) any damage caused as a result of ownership and/or operation of mines and quarries or mining and tunnelling;
- (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 while performing guard duties,
- (k) any damage caused by ownership, operation or maintenance of railways, trailers, tram lines, cableways, ski tows including any means of transportation and equipment operated thereon,
- (l) any damage resulting from ownership or operation of a waste dumping site including waste disposal and waste recycling;
- (m) any damage caused by a product being part of any means of transport of any area and of any kind (road, air, sea, railroad, etc.) of mass or individual transport;
- (n) any damage caused by a product the use of which is intended for the needs of health services (medicine), cosmetics, nursing, or pharmaceuticals;
- (o) any damage caused by grazing livestock or wild animals in the meadows, trees, garden, field, and forest cultures,
- (p) damage to jewellery and other valuables as well as to things of historical, cultural, artistic or collector's value (paintings, sculptures, stamp collections, etc.).

2. Further, the insurance shall not cover any liability for damage caused:

- (a) caused as a result of the activity of the insured for which it has no legal authorization;
- (b) for which the insured is not liable under the applicable legal regulations;
- (c) a breach of a legal obligation by the insured prior to the conclusion of the insurance policy;
- (d) deliberately or by gross negligence on the part of the insured or by other persons acting on the initiative of the insured;
- (e) failure to comply with the obligation to avert imminent damage or failure to take action to prevent the aggravation of the extent of incurred or arising damage;
- (f) by the insured that has based on an agreement undertaken the obligation to provide damages beyond the damages laid down by generally binding legal regulations; this shall not apply to any damage for which the insured would have been held liable pursuant to generally binding legal regulations even if the insured did not contractually undertake the liability for damage;
- (g) by any activity that is pursuant to law subject to damage liability insurance or where any claims arising thereof are subject of any other mandatory, statutory, or compulsory contractual insurance;
- (h) by delay of meeting any statutory or contractual obligation or by failure to supply a service or product;
- (i) 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;
- (j) by subsidence, landslide, erosion, controlled industrial blasting or as a consequence of undermining;
- (k) by or resulting from the effects of magnetic or electromagnetic fields and the radiation thereof;
- (l) by or resulting from the genetic changes of organisms and plants or leakage of foreign invasive living organisms or leakage of a similar type of plant seed;
- (m) by or resulting from infectious diseases of any kind except of any damages caused by *Listeria* and *Salmonellosis*;
- (n) by or resulting from the effects of nuclear energy or nuclear radiation of any kind;
- (o) by the effects of heat, leaking materials (gases, vapours, smoke etc.), noise or gradual seeping of humidity;
- (p) by formaldehyde, asbestos, silicium, persistent organic materials, polychlorinated biphenyls, methyl tert-butyl ether, lead, mercury, synthetic mineral fibre;
- (q) by fungi, mould or similar organisms and any by-products or any infestation arising therefrom (e.g. mycotoxins, spores);
- (r) by outage or fluctuation of public circuits of electricity, gas, water, heat, and public electronic communication networks;
- (s) 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 for such motor vehicle an obligation to enter into a compulsory contractual motor vehicle third party liability insurance shall be applicable, whereas 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;
- (t) 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;
- (u) by long-term exposure or effects of the operation or any other activity of the insured to the surroundings when the time of the accidental event that caused the occurrence of the damage may not be objectively determined or the time of the occurrence of damage may not be established;
- (v) by provision of health care services, pharmaceutical services or by provision of services of aesthetic medicine or any other aesthetic services associated with intrusions into human organism or products associated with the provision of such services;
- (w) by inspection, supervisory, advisory, investigatory, appraisal, consulting, project or legal and advisory services or activities;
- (x) by services associated with design, authorisation, approval of any maps, schemes, reports, surveys, scopes, orders, designs, assignments, specifications, or any other project documentation.

3. With respect to any defective product and/or defective work performed by the insured, the insurance shall not cover any damage (unless otherwise agreed in the insurance policy):
 - (a) occurred to the defective product itself and/or costs incurred for the defective work including any damage to the thing or any part thereof on which the insured has directly performed the commissioned work;
 - (b) occurred as a result of necessity to withdraw the defective product off the market or the costs required to procure the transport, storage, and disposal of the defective product;
 - (c) caused by supply of product or performance of any work which fail to meet the expected aesthetic, quality, or functional requirements;
 - (d) caused as a consequence of combination of the product of the insured with the product of the aggrieved party or as a consequence of incorporating of the product of the insured into the product of the aggrieved party, if as a result of the defective product of the insured no physical damage was caused to a thing of a third party;
 - (e) caused by supply of a product the defect or insufficient parameters of which the insured has known of or should have known prior to its supply to the off-taker or its introduction to the market;
 - (f) caused by insufficient testing of the product (pursuant to the prescribed standards and/or usual practice of the given industry) prior to its supply to the off-taker or its introduction to the market;
 - (g) caused as a result of any defect of the concrete or of similar materials as well as as a result of construction (structural) prefabricates;
 - (h) caused by a product the origin or use of which relates to acquirement, modification, processing, manipulation, separation, storage, use or making use of materials partially or entirely originated from human body, including any organs, tissues, cells, transplants, excreta and secreta as well as any materials acquired or produced thereof;
 - (i) caused by a product of the insured if such damage has been caused by inappropriateness of the product for the given purposes of use;
 - (j) caused directly or indirectly in connection with the effects of tobacco or tobacco products;
 - (k) caused by one or several of the following products of the insured: human pharmaceuticals, veterinary pharmaceuticals, blood and blood derivatives, vaccines, cosmetic products, animal fodder, agricultural sprayings, fertilizers, insecticides, or pesticides;
 - (l) caused as a result of defective work done by revision, scientific, research and development, analytical, logical, producer, intermediary, engineering activities or any other similar activity;
4. The insurance shall not cover any reimbursement of contractual, administrative, and/or criminal penalties or fines of any kind including so-called punitive damages or exemplary damages.
5. The insurance shall not cover any claims for damages including reimbursement of fees of legal representation in connection with any right for damages granted by any official public authority having either territorial or functional jurisdiction in the United States of America (USA) or Canada.
6. The insurance shall not cover any claims asserted 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.
7. The insurance shall not cover any damage the insured is liable for vis-à-vis his/her/its wife/husband, relatives in direct line, persons living with the insured in the same household, shareholders or their wives/husbands or relatives in direct line or persons living with the shareholder in the same household. Also, the insurance shall not cover any liability for damage of any business entity with an equity participation of the insured, his/her wife/husband, relative in direct line or a person living with the insured in the same household; whereas in case of any damage the insurance claim

payment shall be pro rata reduced by the share of the equity participation of the aforementioned person in such entity.

Article 4 Insurance claim payment

1. As a result of single and all damage having occurred during one insurance period the insurer shall pay on behalf of the insured the damages, however, in maximum amount of the limit or sublimit of the indemnity agreed in the insurance policy.
2. Where after providing the insurance claim payment or any part thereof, it should be discovered that the aggrieved party had no claim whatsoever or the insured and/or the co-insured persons failed to meet the requirements/conditions for the paid insurance claim payment, the aggrieved party or the insured and/or the co-insured persons shall return to the insurer the received insurance claim payment in full and the insured shall reimburse the insurer for any costs associated with the provision of the insurance claim payment.

Article 5 Definitions

1. **Europe** (for the extension of territorial coverage) means the territory of the following states: Albania, Andorra, Belgium, Belarus, Bosnia and Herzegovina, Bulgaria, Cyprus, Czech Republic, Montenegro, Denmark, Estonia, Finland, France, Greece, Netherlands, Croatia, Iran, Ireland, Iceland, Israel, Liechtenstein, Lithuania, Latvia, Luxembourg, Hungary, Malta, Monaco, Moldova, Former Federal Republic of Macedonia, Germany, Norway, Portugal, Poland, Austria, Romania, Republic of Russia (only the geographical part of Europe), San Marino, Slovak Republic, Slovenia, United Kingdom and Northern Ireland, Serbia, Spain, Switzerland, Sweden, Italy, Vatican, Ukraine.
2. **European Union (EU)** for the purposes of extending the territorial coverage, shall mean the territory of the states of the European Union and the states of Andorra, Liechtenstein, Monaco, San Marino, Switzerland, and the Vatican.
3. **Accidental pollution** is a sudden and unforeseen emission of pollutants as a result of which the damage to health and/or a thing is caused or resulting from leakage, dispersal, release, seepage, evaporation or emission of pollutants into the ground, 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 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 the generally binding legal regulations governing environmental liability or remedy of environmental damage are not regarded as damage caused as a result of accidental pollution.
4. **Jewellery and valuables** are precious metals, precious stones, semi-precious stones, pearls, and products made thereof as well as fashion jewellery, wrist watches and pocket watches having a retail price exceeding EUR 160.
5. **Listeria** for the purpose of the insurance means an infectious disease caused by gram-positive bacteria *Listeria monocytogenes*.
6. **Elevated and underground conduits** 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), controlling and managing cables including any poles, masts, stands, other supporting structures and controlling and managing equipment and elements pertaining thereto.
7. **Handover of performed work** is its actual performance and the takeover thereof by the customer or any other person entrusted by the customer.

8. **Insured activity** is the activity performed by the insured based on a valid permission granted under the generally binding legal regulations and any other activities associated therewith.

As activities associated with the insured activity are also regarded:

- a) operation of social and recreational facilities for the employees of the insured or for organizing of corporate events,
- b) operation of static (firmly attached to the earth's surface by its foundations) advertising facilities owned by the insured (not in other kind of use) if a permit of the relevant public authorities has been granted for the placement and operation thereof.

9. **Insurance claim payment limit** is the upper limit of the payment of the insurer subject to the terms and conditions agreed in the insurance policy.

10. **Aggrieved party** is any natural person or legal entity that has suffered damage by act of the insured for which pursuant to the generally binding legal regulations the insured shall be held liable.

11. **Salmonellosis** for the purpose of the insurance means a disease caused by pathogenic salmonella with clinical symptoms corresponding to pathological and anatomical findings and positive findings and positive results of bacteriological examination on Salmonella enteritidis and typhimurium germs.

12. **Sublimit** is the part of indemnity limit agreed in the insurance policy as the maximum amount of reimbursement that shall be paid by the insurer for a certain kind of damage to which the sublimit applies while the sublimit shall not increase the insurance claim payment limit.

13. **Lost profit** is an economic harm expressed in monetary terms meaning that due to a damage to the property values of the aggrieved party these are not to be multiplied in the extent that would be expected in case of natural course of things.

14. **Product introduction/supply to market/circulation** is the moment when the manufacturer has actually lost the ownership of the product. In assumption of an existing commercial contractual relationship the product must be introduced to the market for a consideration, e.g. sale, lease, given into leasing or given away based on a contract with a customer. As product introduction to circulation shall not be regarded the case when the product has been stolen from the manufacturer or has been lost.

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

16. **Exercise of property rights** is administration and operation of real property serving for the performance of the insured activity. The insurance of the exercise of property rights is arranged only if with regard to this subject to insurance the insurance claim payment limit and the premium are stated in this insurance policy.

17. **Product** is any movable thing that has been produced, extracted, or otherwise obtained regardless of its degree of manufacturing and which is designed for introduction to product circulation. A product is also any movable thing which is part or is an accessory to other movable or immovable thing. Electricity and gas, if intended for consumption, shall be considered as product as well.

disputes arising from this insurance policy. The same shall also apply to any damage occurred abroad.

3. The provisions of these OPP-SME-Z relating to the insured shall also apply to the policyholder (if the policyholder is a person other than the insured) and/or to any other authorized person.

4. These OPP-SME-Z enter into force on 20.07.2022.

Article 6 Closing provisions

1. These OPP-SME-Z form an integral part of the insurance policy and the parties may modify its provisions by agreement in the insurance policy.

1. The insurance policy the annex of which are these OPP-SME-Z shall be governed in matters of entry into force, interpretation, and implementation by the law of the Slovak Republic. The courts of the Slovak Republic shall have exclusive jurisdiction for any legal