

**SPECIAL INSURANCE CONDITIONS FOR LIABILITY INSURANCE
(ZPP ODP 01/2020)**

Article 1. INTRODUCTORY PROVISIONS

These Special Insurance Conditions together with the Insurance Contract, General Insurance Conditions for Liability Insurance and, if appropriate, the Supplementary Insurance Conditions constitute one integral whole.

Article 2. INSURED EVENT

For the purposes of these Special Insurance Conditions, an Insured Event means an event consisting in the occurrence of damage or loss to a third party arising during the insurance period agreed in the Insurance Contract as a result of a breach of a legal obligation of the insured as part of the insured activity and that the insurer is obliged to compensate by providing insurance benefit under the Insurance Contract. Damage or loss that was caused in the time before the conclusion of the Insurance Contract is only covered if the insured was not and could not be aware of such cause at the time of conclusion of the Insurance Contract.

Article 3. SCOPE OF INSURANCE

- 1) The Insurance is negotiated for an obligation of the insured to compensate for damage or loss to a third person stipulated by law, however, provided that such damage or loss was caused by an operating activity to which the insured is authorised under the applicable legislation and that is also included in the Insurance Contract as an insured activity and/or in connection with such activity.
- 2) The insured has the right to be reimbursed by the insurer for the following:
 - a) Damage or non-material damage caused by bodily injury;
 - b) Property damage to a thing caused by its damage, destruction or loss (the provisions regarding a thing apply mutatis mutandis to an animal, however, only to the extent not contrary to its nature);
 - c) Loss arising out of bodily injury and of property damage (the so-called consequent financial loss);
 - d) Defence Costs;
 - e) Other costs and expenses incurred in connection with an Insured Event, however, only if the insurer has given prior written consent thereto;all provided that such damage and/or losses and/or costs were incurred as a result of the performance of the insured activity.
- 3) The insured further has the right to be reimbursed by the insurer for the following:
 - a) Damage or loss caused by a defective product after its delivery or by a defective service after its provision and taking over as a result of the performance of the insured activity;
 - b) Damage or loss resulting from ownership, rental and similar relationships relating to immovable property (e.g. holding or management of real estate or damage caused to hired property) that has been incurred as a result of the performance of the insured activity;
 - c) Regressive compensation for the costs incurred by the health insurance company for health care in favour of a third person as a result of negligent unlawful conduct of the insured during the performance of the insured activity;
 - d) Regressive compensation for the costs expended by the health insurance company for health care in favour of an employee of the insured due to the neglectful illegal conduct of the insured, which occurred in association with the performance of the insured activities, yet only in cases when the statutory liability insurance of the insured as an employer for damages incurred by a work injury or occupational disease applies to the liability for work injury or occupational disease, in result of which such costs were incurred; the sublimit

- amounts to 10% of the insurance indemnification limit negotiated in the insurance contract, yet not more than 5,000,000 CZK, unless stipulated otherwise;
- e) Regressive compensation for the sickness insurance if there were matters decisive for the establishment of the entitlement to the sickness insurance benefit, and the insured is obliged to pay regressive compensation to the sickness insurance body due to the committed illegal conduct occurring in connection with the performance of the insured activities, which was found by means of a valid and enforceable court decision or the valid and enforceable decision of the respective administration body; the sublimit amounts to 10% of the limit of the insurance indemnification negotiated in the insurance contract, but not more than 5,000,000 CZK, unless stipulated otherwise;
 - f) Monetary compensation for non-material loss asserted in association with the suffered mental hardships, if such monetary compensation was determined via an effective and enforceable decision of a public authority issued in association with the insured activities, and if such monetary compensation for non-material loss is linked with the right to insurance benefits incurred in consequence to the obligation of the insured to compensate in case of bodily injury;
 - g) Damage to tangible movable assets, except for means of transport (apart from the loading and unloading thereof) and except for money, payment cards, securities or other valuables, which are the subject of work or escrow contracts, or which were left to the insured for utilization or other authorized activities on them or with them; the sublimit amounts to 10% of the limit of the insurance indemnification negotiated in the insurance contract, but not more than 1,000,000 CZK, unless stipulated otherwise;
 - h) Damage to put-off and brought-in things, including belongings of employees and visitors of the insured at the place of performance of activities of the insured (especially, yet not exclusively, the visitors of the plant, seat, place of business, branch, factory, offices or any other place where the insured carries out his activities), yet with the exception of means of transport, money, payment cards, securities and other valuables; the sublimit amounts to 20,000 CZK and participation amounts to 1,000 CZK, unless stipulated otherwise.

Article 4. TERRITORIAL SCOPE OF INSURANCE

Unless otherwise provided in the Insurance Contract, the Insurance covers damage and loss incurred within the territory of the European Union member states, which the insured is obliged to compensate pursuant to the legal orders of the European Union member states.

Article 5. INSURANCE EXCLUSIONS

- 1) The Insurance does not cover damages of losses incurred:
 - a) Directly or indirectly, in connection with or as a consequence of war (including undeclared), war or hostile operations, armed conflicts, civil war, civil unrest, strikes, invasions, rebellions, uprisings, military coup, revolution, martial law, terrorism (terrorism means the use of violence or the threat thereof by a person or group acting alone or on behalf of or with the support of any organization or government for political, religious, ideological or similar reasons, including the intention to influence any government or intimidate the public or any section of the population);
 - b) Directly or indirectly, in connection with or as a result of confiscation, nationalization, taking over or seizure by a government or public authority, of any other intervention by a state or an official authority;
 - c) Directly or indirectly, by contribution of or due to an effect of nuclear energy, ionizing or radioactive radiation or contamination or in any way related to the production of nuclear energy or the production or use or storage of nuclear material of any kind (including fuel, waste, weapons) or in connection with:
 - i) all property on the site of a nuclear power station,
 - ii) nuclear reactors, reactor buildings and plant and equipment therein on any site,
 - iii) all property, on any site, used or having been used for the generation of nuclear energy or for the production, use or storage of nuclear material,

- iv) any weapon, device or other property employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter,
- v) any other property eligible for insurance by the relevant local nuclear insurance pool and/or an association;
- d) By any pollution or contamination of the environment or resulting therefrom;
- e) By any leakage or other gradual pollution or contamination of the environment or resulting therefrom;
- f) By environmental impairment or major accident within the meaning of the applicable legislation;
- g) By chemical, biological, biochemical or electromagnetic weapons;
- h) By action of the electromagnetic field, lead, formaldehyde, fungi, genetic modification of the organism and caused directly or indirectly by asbestos (in any form or quantity); caused by tobacco products incl. electronic smoking devices;
- i) By pure financial loss or in the form of fine/penalty;
- j) From transactions in financial, credit, investment, capital, securities, bonds or guarantees;
- k) By a failure to supply a product or failure to perform a service, in connection with product withdrawal from the market caused by products without proper registration or by an unauthorised modification of the product;
- l) In respect of a product, work or service itself or by defective performance (product-, performance-, work- or service warranty, including quality warranty, latent defects or so called "Decennial liability");
- m) By joining, mixing or processing defective products delivered by the insured with other products; by producing defective products or by defective processing of other products using defectively manufactured machines delivered by the insured;
- n) From transport, shipment or similar contracts;
- o) By the operation of means of transport with a registration mark, or event. with a registration or other licence plate or number and/or subject to mandatory registration or evidence;
- p) Intentionally, arbitrarily or through malignancy, misappropriation or any other criminal activity, grossly negligent behaviour or omission, with gross negligence being the case if the principle of due or ordinary care is breached in a particularly serious manner;
- q) By an activity or legal relationship for which the insured has no appropriate authorisation or licence;
- r) By taking over or recognising the obligation to compensate for damage or any other loss beyond the limits laid down by law, including contractual penalties or sanctions, liquidated damages, contractual default interest or other contractual arrangements or beyond the agreed limitation of damage or loss between the insured and the injured party;
- s) In respect of natural rights of a man, except for non-material damage caused by bodily injury or death;
- t) By occupational injury or occupational disease;
- u) By landslide, erosion, subsidence and vibrations;
- v) In direct or indirect connection with infectious and / or contagious diseases of humans, animals or plants, including related contamination, decontamination, disinfection or related measures of the competent authorities;
- w) By loss, damage, destruction, distortion, erasure, exchange or other damage to electronic data (i.e. data and information converted into a form usable for communication, interpretation or processing by electronic and electromechanical data processing or electronically controlled equipment and include programs, software and other encrypted instructions for processing and manipulating data or for controlling and operating such devices) for any reason, including, but not limited to, a computer virus (ie, a set of malicious or otherwise unauthorized instructions or code, including intentionally implemented unauthorized, programmatic, or other instructions; or codes that are disseminated through a computer system or network of any kind; e.g. "Trojan Horses", "worms", "time or logic bombs"), and by losing the ability to use them, by reducing their functionality, related costs or expenses of any nature, regardless of any other cause or event which, at the same time, or in any other order, has contributed to such damage, as well as to damage or injury resulting from the provision of professional services in electronic data processing;
- x) During an activity or relationship subject to compulsory insurance.

- y) In direct or indirect connection with HIV, Hepatitis, CFJ (Creutzfeld Jacob/Mad Cow Disease).
- 2) The insurer shall be not deemed to provide cover and shall be not liable to pay any claim or provide any benefit hereunder to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose that insurer to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of the European Union, United Kingdom or United States of America.
 - 3) The Insurance does not apply to damage or losses incurred by the insured, persons close to the insured and the persons related to the insured with property, up to the amount of their percentage co-ownership share.
 - 4) This insurance does not cover any loss, damage, liability, costs or expenses directly or indirectly caused by or contributed to or resulting from the cyber incidents, regardless of any other cause or event contributing concurrently or in any other sequence to the loss, damage, liability, costs or expenses. The cyber incident is defined as a breach of a computer system's security policy in order to affect its integrity or availability and/or the unauthorised access or attempted access to a computer system or systems. In general, types of activity that are commonly recognised as being breaches of a typical computer system's security policy are:
 - a) Attempts to gain unauthorised access to a computer system and/or to data;
 - b) The unauthorised use of computer systems for the processing or storing of data;
 - c) Changes to a computer systems firmware, software or hardware without the system owner's consent;
 - d) Malicious disruption and/or denial of service.
 - 5) If an individual exclusion is included in the Insurance by the Supplementary Insurance Conditions or other arrangements, other exclusions remain valid. Additional exclusions may be agreed in the Insurance Contract.