



UNIQA pojišťovna, a.s.  
Registered at the Municipal Court in  
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Evropská 1 36, 160 12 Prague 6  
ID No. 49240480

General Insured terms  
for insurance of liability for damages  
– special section –

**UCZ/Odp/10**



## General provisions

Insurance is regulated by this special section of the insured terms, the General Insured terms – general section – UCZ/05, which together constitute an integral whole. This insurance is agreed as claim insurance.

### Article 1

#### Damage claim, insured claim, insured risk, insured hazard

1. Insurance of liability for damages applies to the liability stipulated by legal regulations for damages of natural persons and legal entities arising from events which could constitute a reason for establishment of the right to indemnification from the insurance (damage claims) which occur during the insured term. In the case of several damage claims (several damaged parties or different types of damage) occurring in causal relation to the same legal fact/cause, they shall be considered one damage claim. Different conditions for inception of the right to insurance indemnification may be agreed in the insurance contract.
2. An insured claim is the inception of the insurer's obligation to indemnify damages on behalf of the insured party, caused by activities specified in detail in the insurance contract or by special regulations (insured risk), and for which the insured party is liable according to legal regulations. If the competent authority decides on the compensation of such damage, the insured claim occurs only on the day when this authority's decision comes into legal force.
3. The insured party has the right for the insurer to indemnify damages incurred by others (insured risks) in the scope and amount designated by legal regulations:
  - a) to lives, health and property;
  - b) other property damages arising from the damages according to letter a) of this clause;
  - c) costs required for legal protection of the insured party against the applied claim to indemnification of damages in the scope defined in Article 3(5) of these insurance terms.
4. Liability insurance applies also to the indemnification of costs expended by the health insurance company for healthcare in favour of third parties due to the neglectful conduct of the insured party in cases when a claim to insurance indemnification arise from liability for damages to health or death, to which these costs are related.

At the same time, insurance applies to the compensation of costs expended by the health insurance company for healthcare in favour of the insured party's employee in consequence of the neglectful unlawful conduct of the insured party. Insurance applies only to cases when liability for the occupational injury or occupational disease to which healthcare costs are related gives rise to indemnification from the respective legal regulation of the Czech Republic during occupational injury or occupational illness.
5. Liability insurance applies also to the indemnification of regressive compensation of the sickness insurance authority, arising from the unlawful conduct of the insured party determined by court or administrative authority, whereas the decisive facts for inception of the claim to allowance from sickness insurance occurred (according to Section 126 of Act No. 187/2006 Coll., on sickness insurance, as amended), when liability for damages to health or life to which such allowance is related gave rise to the claim to indemnification from the insurance agreed in the insurance contract.
6. Liability insurance also applies to the liability of the insured party arising from the ownership, holding or other authorised use of real estate serving to perform the insured party's activities.

### Article 2

#### Other insured hazards and risks

If explicitly agreed in the insurance contract, insurance of liability for damages applies to the following additional insured hazards and risks:

#### Liability for damages caused by product defects

Discrepantly from Article 6(2)(b) of these insurance terms, it is agreed that insurance applies also to liability for damages caused by product defects after delivery of the product or a defect in performed work after its

handover (hereinafter a product defect, defective product). Product refers to all movable or immovable articles or their parts, which come into consideration and commercial goods, including their accessories and packaging. Delivery refers to the actual handover of the product by the insured party to another party, regardless of the legal grounds. Delivery is realised at the moment when the insured party loses the real possibility of handling the product, meaning the ability to influence and use the product. Handover of performed work (hereinafter handover) means its completion and actual takeover by the customer or other entitled entity.

However, insurance does not apply to damages:

- caused by a product that the insured party obtained in a manner that prevents the insured party from applying rights to prosecution against another liable entity in accordance with legal regulations;
- caused by a product which in technical terms is flawless, but does not achieve the expected functional parameters; which occurred because the parameters, quality, make or function of the product were altered based on the insured party's request, or which occurred because the product was installed into conditions other than those for which it is intended based on the insured party's request;
- caused by a product that was not sufficiently tested according to the acknowledged rules of science and technology or other acknowledged means; caused by a product defect or other deficiency which was disclosed by the insured party beforehand;
- caused during the project design, construction or building or aircraft of delivery of parts or other products which are installed in aircraft with the insured party's knowledge.

Insurance does not establish the claim to indemnification:

- for imposed or applied fines, penalties or other payments which have a repressive, exemplary or preventive character; for payments due within the framework of liability for defects or liability for delay;
- for losses, costs or other expenses incurred by others in relation to recalling of the product;
- for costs related to the demolition, clearing out or dismounting of the damaged or defective product and defectively performed work which caused damage, as well as costs related to procuring and installing a product to replace the defective product;
- in the event of any compensation of damages awarded by the courts of the United States of America, Canada or Australia.

The claim to insurance indemnification arises only if the delivery of the defective product was realised during the effective term of insurance and if the damage claim was reported to the insurer at latest within two years from the expiry of insurance.

Insurance in the scope of this provision is agreed within the framework of the contracted amount and deductible indicated for insurance of liability for damages in the scope of Article 1 of these insurance terms (hereinafter the "basic scope"). If the foregoing is agreed, then discrepantly from Article 6(2)(g) of these insurance terms, insurance applies automatically to activities in construction and to liability for damages caused by land settlement and slides, as well as undermining.

#### Territorial validity Europe

Discrepantly from Article 3(1) of these insurance terms, it is agreed that insurance applies also to damage claims which occur within the territory of Europe in the geographical sense (apart from Iceland, Greenland, Svalbard, Canary Islands, Madeira, Cyprus, Azores and the Asian territories of Turkey and the former USSR).

However, insurance does not apply to the liability for damages of the insured party's organisation units (branches) with their registered office abroad, and liability for damages from labour law relations. The insurer's indemnification obligation shall not arise if it is not possible to investigate and liquidate the claim or fulfil the insurer's other obligations in consequence of intervention by state power, the insured party or third parties.

#### Territorial validity whole world except USA, Canada and Australia

Discrepantly from Article 3(1) of these insurance terms, it is agreed that insurance applies also to damage claims which occur within the territory of the whole world with the exception of the USA, Canada and Australia and territories under the jurisdiction of these countries.

However, insurance does not apply to the liability for damages of the insured party's organisation units (branches) with their registered office abroad, and liability for damages from labour law relations. The insurer's indemnification obligation shall not arise if it is not possible to investigate and liquidate the claim or fulfil the insurer's other obligations in consequence of intervention by state power, the insured party or third parties.

## **SUPPLEMENTARY INSURANCE:**

### **Insurance of liability for received articles (03)**

Discrepantly from Article 6(2)(a) of these insurance terms, it is agreed that insurance applies also to liability for damages to articles which the insured party received or has in its holding for processing, repair, modification, sale or other similar reasons for the purpose of the ordered activity.

However, insurance does not apply to damages arising from missing articles. Insurance in the scope of this provision is agreed within the contracted amount indicated for insurance of liability for damages in the basic scope. The indemnification limit for one claim which occurs in the annual insured term and the deductible from one damage claim are indicated in the insurance contract. The limit for all damages that occur in the annual insured term is equal to double the limit agreed for one claim that occurs in the annual insured term.

### **Liability for financial damages (04)**

Discrepantly from Article 6(2)(i) of these insurance terms, it is agreed that insurance applies also to liability for damages incurred by third parties otherwise than to health or death, damage, destruction or missing of an article (financial damages).

An insured claim refers to the violation of obligations stipulated by legal regulation, which consists of a certain conduct or omission that occurred within the Czech Republic (including the ensuing economic effects) during the insured term. The condition for provision of insurance indemnification is the fact that the insured claim was reported to the insurer at latest within two years from expiry of insurance. If the cause of the damage was any omission, then in the case of doubt such violation of obligations shall be deemed to have occurred at the moment when this neglected conduct should have been carried out at the latest in order to prevent financial damages.

However, insurance does not apply to liability for damages caused by the insured party as a member of the board of directors or supervisory board or as the executive or proxy of any commercial company, or to financial damages arising from liability for damages caused by a defective product or defective performed work. Furthermore, insurance does not apply to liability for damages arising from the fulfilment of contractual obligations or their non-fulfilment, violation of intellectual property rights, failure to fulfil contractually stipulated costs and budgets, liability for deficits in financial values the management of which was entrusted to the insured party, and liability for financial damages during the trading of securities, money, loans, insurance, leasing and lots, or in connection to payment transactions of all types and activities related to electronic data processing, rationalisation and automation.

Insurance in the scope of this provision is agreed within the contracted amount indicated for insurance of liability for damages in the basic scope. The indemnification limit for one claim which occurs in the annual insured term and the deductible from one damage claim are indicated in the insurance contract. The limit for all damages that occur in the annual insured term is equal to double the limit agreed for one claim that occurs in the annual insured term.

### **Liability for damages to articles received in safekeeping (07)**

Discrepantly from Article 6(2)(a) of these insurance terms, it is agreed that insurance applies also to liability for damages to articles which the insured party received against confirmation exclusively for safekeeping. However, insurance does not apply to motor vehicles, motor boats, aircraft, jewels, money and other valuables. However, clothing is never considered a valuable. The claim to insurance indemnification may only be applied if the articles received against confirmation, with the exception of scarves, shawls, hats, caps and gloves, are designated individually by such confirmation, placed in a defined area under constant supervision of the insured party and this area can only be accessed by the insured party.

Insurance in the foregoing scope is agreed within the framework of the contracted amount agreed for insurance of liability for damages in the basic scope. The limit for one coatroom (safekeeping) ticket, the limit for daily indemnification and the deductible are indicated in the insurance contract.

### **Liability for damages to motor vehicles received for guarding (08)**

Discrepantly from Article 6(2)(a) of these insurance terms, it is agreed that insurance applies also to liability for damages to motor vehicles received by the insured party against confirmation exclusively for guarding.

The claim to insurance indemnification arises only under the condition that the motor vehicles were left at the location under constant supervision of the insured party. However, insurance does not apply to damages arising from missing a part of the motor vehicle, its accessories, contents or load. Insurance in the foregoing scope is agreed within the framework of the contracted amount indicated for insurance of

liability for damages in the basic scope. The indemnification limit for one claim which occurs in the annual insured term and the deductible from one damage claim are indicated in the insurance contract. The limit for all damages that occur in the annual insured term is equal to double the limit agreed for one claim that occurs in the annual insured term.

### **Liability for damages arising from disruption of the environment (09)**

Discrepantly from Article 6(2)(e) of these insurance terms, insurance also applies to damages to articles arising from disruption of the environment, including damage to water and soil. However, this insurance is not insurance according to Act No. 59/2006 Coll. (Act on Preventing Serious Accidents), if the insured party is obliged to conclude such insurance. Disruption of the environment refers to the negative impacting of the characteristics of air, water, minerals and soil by pollution beyond the level stipulated by legal regulations, if it occurred in consequence of a individual, sudden and unforeseeable event, which differs from due problem-free operation, running of equipment or machinery (hereinafter a breakdown). An insured claim refers to the first demonstrable finding of environmental disruption, from which the insured party's obligation to compensate damages arises or could arise. The determination of disruption of several environmental components as a result of one breakdown is considered to be one insured claim. However, the finding of an environmental disruption in consequence of several breakdowns, which are of the same type in terms of their effects (such as pollution or evaporation), whereas disruption of the environment would not occur if there had been only one individual breakdown of this type, shall not be considered an insured claim.

Insurance applies always only to cases when the harmful effects on the environment occur in the territory of the Czech Republic. The claim to insurance indemnification arises if the breakdown occurred during the term of the insurance contract and if environmental disruption was determined during this term or at latest within two years from expiry of the insurance contract. The policyholder is obliged to ensure or procure professional maintenance of equipment or machinery that threatens the environment. unless legal or operational regulations stipulated shorter intervals, such equipment or machinery must be reviewed by a specialised revision company at least once every five years. This deadline starts from the launch of operation or date of the last revision of the equipment, regardless of the start of insurance. If the policyholder does not fulfil these obligations, the insurer is authorised to refuse insurance indemnification.

However, insurance does not apply to environmental disruption as a result of the breakdown of any equipment for wastewater treatment or waste management, or any storage of hazardous waste (i.e. its temporary storage in designated locations for the necessary period of time) and waste dumps of all types (i.e. its permanent storage for the purpose of liquidation).

Insurance in the scope of this provision is agreed within the contracted amount indicated for insurance of liability for damages in the basic scope. The indemnification limit for one claim which occurs in the annual insured term and the deductible from one damage claim are indicated in the insurance contract. The limit for all damages that occur in the annual insured term is equal to double the limit agreed for one claim that occurs in the annual insured term.

### **Liability for damages to employees' property (11)**

Discrepantly from Article 6(2)(j) of these insurance terms, it is agreed that insurance applies to the employer's liability for damages to articles which the insured party's employee has set aside in the designated place or place where such articles are usually set aside while performing work tasks or in direct connection to them. As for damages to jewels, money and other valuables, the insurer indemnifies the damaged party up to a maximal value of CZK 10,000.

The claim to insurance indemnification for damages arising from missing articles, however, arises only under the condition that the deposited articles were located in the employer's locked premises (lockers, cabinets, changing rooms, etc.) which serve for their setting aside, and the damage claim occurred as a result of provable burglary.

Insurance in the scope of this provision is agreed within the contracted amount indicated for insurance of liability for damages in the basic scope. The indemnification limit and deductible from all damage claims in one day is indicated in the insurance contract.

### **Indemnification of the liability insurance insurer's costs for damages caused by motor vehicle operation applied as a sanction against the insured party as the employer of the vehicle driver (12)**

Discrepantly from Article 6(1)(b) and (2)(i) of these insurance terms, it is agreed that insurance applies also to the indemnification of costs expended by the insurer for the insured party's operator of the insured

vehicle, which was used to cause damage from insurance of liability for damages caused by motor vehicle operation in consequence of the unlawful conduct of the driver – insured party's employee (according to Act No. 168/1999 Coll., on insurance of liability for damages caused by motor vehicle operation and the amendment of certain related laws, as amended).

However, this insurance applies only to cases when the claim to indemnification of the expended costs from insurance of liability for damages caused by motor vehicle operation arose based on Section 427(1), Civil Code (liability for damages caused by transport vehicle operation) and Section 10(1)(b) of the cited Act No. 168/1999 Coll. (violation of basic obligations concerning traffic on road communications, if such violation was in causal relation to the occurrence of damage for which the insured party is liable) and subsection (2)(e) (driving of the motor vehicle by a person under the influence of alcohol, narcotic or psychotropic substances or medication marked with a prohibition of driving motor vehicles). The condition for indemnification by the insurer is an effective decision by the court on the claim to application of sanctions against the insured party. Insurance in the scope of this provision is agreed within the contracted amount indicated for insurance of liability for damages in the basic scope. The indemnification limit for one claim which occurs in the annual insured term and the deductible from one damage claim are indicated in the insurance contract. The limit for all damages that occur in the annual insured term is equal to double the limit agreed for one claim that occurs in the annual insured term.

### Article 3

#### Insurer's indemnification, rescue costs

1. Unless agreed otherwise in the insurance contract, the right to insurance indemnification arises only if the insured claim and damage occurred within the Czech Republic during the insured term.
2. The insurer shall provide insurance indemnification in the domestic currency, unless agreed otherwise in the insurance contract.
3. Unless agreed otherwise in these insured terms or the insurance contract, indemnification of damages paid by the insurer from all insured claims arising in the course of one insurance year (potentially in the course of validity of insurance agreed for a shorter term) must not exceed double the contracted amount stipulated in the insurance contract.
4. If the insured claim concerns foreign property, the insurer is obliged to indemnify only if the damaged party was not indemnified from their own insurance (personal).
5. The insurer shall pay costs on behalf of the insured party for:
  - a) Proceedings on compensation of damages before the respective authority, if such proceedings are required to determine the insured party's liability or value of indemnification of damages, and costs for legal representation of the insured party in such proceedings in all degrees;
  - b) defence in criminal proceedings (i.e. in preliminary proceedings and proceedings before the court in all degrees) conducted against the insured party in connection to the damage claim;
  - c) out-of-court negotiation of the claim to indemnification of damages incurred by the damaged party, if the insurer undertook this in writing.

Costs for legal representation and defence according to this clause, which exceed the non-contractual remuneration of an attorney in the Czech Republic stipulated by the respective legal regulations, shall be paid by the insurer only if it undertook this in writing.

The insurer shall not indemnify the costs according to this clause if the insured party was found guilty of a deliberate crime in connection to the insured claim. If the insurer has already indemnified these costs, it is entitled to refunding of the paid sum by the insured party.

6. Within the framework of the agreement contracted amount, the insurer shall indemnify the following rescue costs:
  - a) purposefully expended costs to avert the occurrence of the directly impending insured claim or reducing the consequence of an insured claim that has already occurred;
  - b) costs expended for hygienic, ecological or safety reasons when clearing out the damaged party's property or the remains thereof.

The indemnification of rescue costs expended to save lives and health is limited to 30% of the agreed contracted amount. The indemnification or other expended rescue costs according to letters a) and b) of this clause is limited to 5% of the agreed contracted amount. Rescue costs expended by the policyholder based on written consent from the insurer shall be indemnified by the insurer without limitation.

### Article 4

#### Transfer of rights to the insurer

1. If the entitled party, insured party or party that expended rescue costs acquires a right against another party to the indemnification of damages or similar right in connection to an impending or occurred insured claim, this right is transferred to the insurer upon payment of indemnification up to the amounts that the insurer paid from insurance of the entitled party, insured party or party that expended rescue costs.
2. The rights defined in clause (1) of this article are not transferred to the insurer vis-à-vis parties list in a joint household with or are dependent on the entitled party, insured party or party that expended rescue costs. However, this does not apply if these parties caused the insured claim deliberately.
3. If the entitled party, insured party or party that expended rescue costs waived its right to indemnification of damages or other similar rights or did not apply this right in time, or otherwise impeded the transfer of its rights to the insurer, the insurer has the right to prosecution. If the results of such conduct are apparent only after the payment of insurance indemnification, the insurer is entitled to repayment of insurance indemnification up to the amounts that it could have otherwise obtained.
4. If the insured party or party used for its activities caused damages through its conduct, which was influenced by the consumption of alcohol or other narcotic or psychotropic substances, the insurer has the right to compensation of any provided indemnification against this party.
5. If the insured party has the right to refunding of the paid amount or reduced pension or the right to pledging of his/her wage vis-à-vis the entitled party or other party, this right shall be transferred to the insurer, if it paid this amount on behalf of the insured party or pays the pension on its behalf.
6. The right to compensation of costs for proceedings on compensation of damages, which was granted to the insured party against the petition, shall be transferred to the insurer if the insurer paid such costs on behalf of the insured party.
7. The insured party is obliged to inform the insurer without undue delay that circumstances affecting the right defined in clauses (5) and (6) of this article have occurred and to submit the documents required to apply these rights.

### Article 5

#### Rights and obligations of the policyholder and insured party

1. The party to which insurance liability applies is obliged, in addition to the obligations stipulated in the GIT – general section - UCZ/05:
  - a) to ensure that an insured claim does not occur; in particular, it must not violate the obligations directed at averting or reducing risk, imposed by legal regulations or adopted through the insurance contract, or suffer their violation by the parties acting for it;
  - b) to inform the insurer without undue delay of any changes in the facts about which it was questioned during conclusion of insurance or which occurred during the insured term (including the increase or reduction of insured risk). A change in insured risk refers also to a change of the base for calculation of premiums indicated in the insurance contract (e.g. value of the insured party's annual revenues);
  - c) to inform the parties active in criminal proceedings immediately of



- damages which occurred under circumstances that raise suspicion of criminal conduct or attempted criminal conduct;
- d) to undertake measures in order to prevent the lapse or expiry of the right to indemnification of damages, which according to Section 33 of the Act on Insurance Contract or other legal regulations is transferred to the insurer;
  - e) to undertake measures so that damages arising from an insured claim or in connection to it are minimal; to postpone the repair of the article damaged by the insured claim or removal of the remains of such destroyed or damaged article until written instructions from the insurer, maximally for a period of 30 days from reporting the insured claim, if safety, hygienic or other serious reasons do not require immediate repair or removal of remains;
  - f) to inform the insurer without undue delay that it has arranged additional insurance against the same insured hazard for the same insured term; to disclose the name of the insurer and the contracted amounts;
  - g) to ensure the right to indemnification of damages caused by an insured claim (regress) vis-à-vis a third party;
  - h) must not entirely or in part acknowledge or satisfy any claim from the title of liability for damages without prior consent from the insurer, with the exception of claims to indemnification of damages to articles which to not exceed the value of the deductible;
  - i) to fulfil other specific obligations contractually agreed in the insurance contract.
2. If the violation of obligations had a fundamental impact on the occurrence of the insured claim or increased the scope of its consequence or impeded the determination of legal grounds for indemnification or investigation of the scope of damages, the insurer is authorised to reduce indemnification from the insurance contract depending on the impact of this violation on the scope of its indemnification obligation.
  3. If the insurer required settlement of the damaged party's claim to indemnification of damages by acknowledgement of the claim or settlement, but this did not occur due the insured party's objection, the insurer may refuse further compensation of costs to the insured party, with the exception of costs for defence, as well as fulfilment of that by which the insurer's indemnification obligation increased as a result of the insured party's conduct.
  4. The insured party is also obliged to inform the insurer that the damaged party has applied the right to indemnification of damages against the former, which the insurer is to pay, and to comment on the required indemnification and its value. This obligation applies also to cases when the damaged party claims indemnification of damages before the court or other respective authority.
  5. Should criminal prosecution related to the incurred damage be initiated against the insured party or the party used for the former's activities, to inform the insurer of this fact immediately, including the name of the chosen lawyer and the course and results of such proceedings.

## Article 6 Special exceptions from insurance

1. Apart from the exceptions indicated in the insurance contract, insurance furthermore does not apply to liability for damages caused:
  - a) deliberately by the insured party or the party used by the insured party for its activities, accepted beyond the framework stipulated by legal regulations or accepted in the contract;
  - b) means of transport or activities for which legal regulations impose the obligation to conclude mandatory insurance;
  - c) in the scope in which the claim to indemnification arose from the respective legal regulation of the Czech Republic during occupational injury and occupational disease;
  - d) formaldehyde, asbestos and the effects of atomic energy;
  - e) violation of the insured party's legal obligation at a time before the conclusion of insurance; by spreading a false alarm;
  - f) to articles supplied by the insured party or to articles on which the insured party performed the ordered activities, if such damage occurred because the supplied articles were of defective quality or the ordered work was defectively performed.
2. Unless stipulated otherwise in the insurance contract, insurance furthermore does not apply to liability for damages caused:
  - a) to articles which the insured party has taken over for processing, repair, modification, sale, storage or for other similar reasons for the purpose of performing the ordered activity;
  - b) defects in the product or defective work after their handover;
  - c) flight operation or flight equipment or motor boats;
  - d) to movable articles which the insured party rightfully uses;
  - e) radiation, exhaust, ash, water pollution, vibrations and other ecological damages according to Section 27 of Act No. 17/1992 Coll., Environmental Act, as amended; equipment for water treatment, wastewater treatment, waste management and waste liquidation;
  - f) from transport and consignment contract; to articles which the insured party transports using means of transport within its own management beyond the framework of transport contracts;
  - g) from project and engineering activities and geological surveying activities; by land settlement or slides, undermining, erosion, industrial blasting or gradual humidity infiltration;
  - h) to pastures, trees, gardens, field and forest crops which were caused by grazing animals, the breeder of which is insured, and caused by wildlife;
  - i) otherwise than to health or death, damage, destruction or missing of articles;
  - j) within the framework of labour law relations (employer's liability for damages caused by the employee and vice versa); during professional sports activities.
3. Liability insurance does not apply to:
  - a) the insured party's obligation to pay a fine, penalty or other sanction;
  - b) damages arising from wars, terrorist activities, strikes, other armed conflicts and internal unrest, or by the related military, police or official measures;
  - c) to damages directly or indirectly:
    - related to the effect of an electromagnetic field;
    - manifested by genetic changes in the organism; arising from the spreading or transmission of contagious diseases of people, animals or plants.
4. The insurer shall not indemnify damages for which the insured party is liable to:
  - a) his/her spouse, direct relatives, persons living in a joint household with him/her, partners or their spouses or direct relatives or persons living in a joint household with the partner;
  - b) a business entity in which the insured party, his/her spouse, direct relative or person living in a joint household has a share, in the scope corresponding to the ratio of the share of the insured party or these persons in the company's registered capital;
  - c) persons insured within the framework of the same insurance contract.
5. If the insurance contract insures any of the insured hazards listed in clauses (1) to (4) of this article, it applies even for this insurance that it does not apply to liability for damages caused by the insurance hazards precluded in clauses (1) to (4) of this article. It may be agreed in the insurance contract that insurance does not apply also to liability for damages caused otherwise than by the means listed in clauses (1) to (4) of this article.

## Article 7

### Interpretation provisions

1. **Other property damage arising from damages to health, lives and articles** refers to lost profit.
2. **Related person** refers to a direct relative, a sibling or spouse; other persons in a family or similar relation are considered relatives if the damage suffered by one such person would just be felt as personal damage by the other person.
3. **Undermining** refers to a human activity consisting of tunnelling under ground stoles, shafts, tunnels and similar underground constructions.
4. **Missing articles or their parts** refers to a situation where the insured party or damaged party, independently of their will, have lost the ability to handle the article, do not know where the article is located or whether the article still exists (including a stolen article or its part).
5. **Damage to articles** refers to a change in the status of the article which can objectively be removed by repair, or such change to the article which cannot objectively be removed by repair, yet the article is usable for its original purpose.
6. **Professional sports activity** refers to a sports activity conducted for payment, including training for such activity.
7. **Landslide** refers to the movement of land over the earth's surface, caused by geological or atmospheric conditions.
8. **Spreading of false alarms** refers to the alarming of at least a part of the population of a certain area by spreading an alarm that is false.
9. **Damage caused otherwise than to health or death, damage, destruction or missing of articles** refers to financial damage, i.e. damage that does not consist of damage to health or damage to an article.
10. **Damage caused deliberately** refers to damage caused by deliberate conduct or neglect of the insured party or of which the insured party should have been aware.
11. **Use of an article** refers to a situation when the insured party rightfully has the movable or immovable article in its power and is able to use its utility features.
12. **Products** refers to any movable article which was manufactured, extracted or otherwise acquired regardless of the degree of its processing and is designated for introduction to the market. A product also refers to the parts and components of movable and immovable articles; for example, electricity is also considered a product. Product supply refers to actual handover by the insured party to another party, regardless of the legal grounds. Supply is realised at the moment when the insured party loses the real possibility of handling the product, i.e. the possibility of affecting the product and its use.
13. **Product defect** is a situation in which the product in terms of the safety of its use does not guarantee the features which may rightfully be expected of it, in particular with regards to:
  - a) presentation of the product including provided information. or
  - b) expected purpose which the product is to serve, or
  - c) period when the product was introduced to the market.
14. **Sufficient product testing according to acknowledged rules of science or technology or by other acknowledged means** for the purposes of insurance refers to the mandatory product testing in accordance with the legal code of the Czech Republic or the legal code of another country, if the territorial scope of insurance applies on its territory.
15. **Expiry of a legal entity without a legal successor** refers to:

For legal entities entered by law into the designated register or list, deletion from this register or list or dissolving of the legal entity by the founder;

For business individuals – natural persons that are entered by law into a register or list, deletion from this register or list;

Expiry of authorisation to conduct business activities.
16. **Water pollution** refers to the worsening of quality of surface and ground waters, as well as wastewaters drained through public sewerage. Damage caused by water pollution also refers to potential other damages directly related to water pollution, such as the killing of fish, pollution of a watercourse bed, etc.
17. **Destruction of an article** refers to a change in the status of the article, which cannot objectively be removed by repair, and therefore the article can no longer be used for its original purpose.

## Article 8

### Final provisions

These general insured terms come into effect on 1 April 2010.