



# Special Conditions and Terms for Liability Insurance 11/2023

# Special Conditions and Terms for Liability Insurance

## ZPP ODP 11/2023

### Contents

<b>Article 1</b>	Introductory provisions
<b>Article 2</b>	Scope of insurance
<b>Article 3</b>	Insured event
<b>Article 4</b>	Exclusions from insurance
<b>Article 5</b>	Indemnification
<b>Article 6</b>	Indemnification limits
<b>Article 7</b>	Deductible
<b>Article 8</b>	Final provisions
<b>Article 9</b>	Explanatory provisions

### Article 1

#### Introductory provisions

1. The liability insurance is regulated by these Special conditions and terms for liability insurance 11/2023 (hereinafter referred to as "SIT"), General insurance conditions and terms for comprehensive health insurance of foreigners 11/2023 (hereinafter referred to as "GIT"), and by the provisions of an insurance policy.
2. The insurance is agreed as a private and loss insurance.

### Article 2

#### Scope of insurance

1. The insurance is concluded for the obligation, stipulated by a legal regulation, of an insured to compensate:
  - a) loss incurred to another person due to any bodily harm or death;
  - b) non-property loss consisting in mental torment in case of any bodily harm or death;
  - c) loss incurred to another person due to any damage or destruction of tangible assets or due to injury or death of an animal which such a person owns, uses or has legitimately from any other legal title;
  - d) financial loss.
2. The presumption of the origin of a right to indemnification is that the bodily harm or death, damage or destruction of tangible assets or the financial loss was caused within the insurance period, in connection with legal relationships, by a legitimately executed activity of an insured, or by characteristics of assets listed in the insurance terms or insurance policy, in the territory of the Czech Republic. Furthermore, the presumption of the origin of a right to indemnification in case of any financial loss is that there was an activity or omission causing the loss within the insurance period. Other presumptions of the origin of a right to indemnification may be agreed on in an insurance policy.
3. If the bodily harm was caused by injury, the moment of a short, sudden and violent impact of external forces or factors, which caused the bodily harm, shall be considered as the origin of injury. The moment documented medically as the origin of another bodily harm shall be considered as the origin of another bodily harm. If another person dies due to any injury or another bodily harm, the moment when the injury or another bodily harm leading to death was caused is decisive for the origin of a right to indemnification.

### Article 3

#### Insured event

1. An insured event is the origin of an obligation of an insured to compensate the incurred loss or damage in case of any bodily harm or death, related to the insurer's obligation to provide the indemnification.

2. If any appropriate authority decides on the compensation of such a loss or damage in case of a bodily harm or death, it is applied that the insured event incurred on a day when the decision of this authority became effective. In such a case the insurer shall provide the indemnification within the scope agreed as of a day when such an event occurred.
3. The insured is an authorized person.

### Article 4

#### Exclusions from insurance

1. The insurance shall not be applied to the obligation of an insured to compensate a loss or damage:
  - a) assumed beyond the framework stipulated by legal regulations or assumed in an insurance policy;
  - b) caused intentionally or by serious negligence;
  - c) caused on assets that were borrowed or leased to the insured, or that the insured uses or has by any other reason; however, the insurance shall be applied to the liability of an insured for any loss or damage caused by fire, explosion, tap water and sewage water in a building or dwelling unit (e.g. student hostel, boarding school, dwelling unit – so-called lodgings, etc.) leased properly to the insured for living provided that the insured was not impaired when the insured event occurred.
  - d) caused on assets that the insured gave to another person if the loss incurred because the supplied assets were defective, or on assets on which the insured performed the ordered, assigned or otherwise required activity if the loss incurred because this activity was performed defectively;
  - e) caused on assets that the insured took over for processing, repairs, modifications, sale, safe keeping, storage or provision of professional or another assistance;
  - f) caused on assets that the insured transports in a vehicle operated at own expense;
  - g) caused by damage or destruction of records in video, audio and data media;
  - h) on meadows, trees, garden, field as well as forest cultures, caused by grazing animals or by wild animals;
  - i) caused in connection with the performance of a business or another gainful activity;
  - j) caused by fulfilling of work tasks in labour relationships or in direct connection with it as well as by meeting of the obligations of a cooperative's member;
  - k) caused by the exercise of a right to hunting;
  - l) caused due to the active participation in horse racings, races and sport activities of all types as well as in the preparation for such races;
  - m) caused by the operation of a vehicle, airplane or float;
  - n) within the scope in which the right to liability indemnification in case of an occupational accident or disease was established;
  - o) incurred in connection with an activity for which the Czech legislation imposes the obligation to arrange the liability insurance;
  - p) caused by importation or distribution of any contagious human, animal or plant disease, by the HIV virus transmission;
  - q) caused by genetically modified organisms or toxic moulds, or any loss showing genetic changes of the organism;
  - r) caused by slow drainage or leak age of oils, crude oil or other liquids from vessels or tanks, or by slow impact of temperature, gas, vapours, humidity, sediments

- (fly ash, smoke, rust, dust, etc.), any radiation, waste, sponging, land settlement, landslide, shakes due to demolition works;
- s) incurred to the environment or consisting in any ecological loss;
  - t) caused by a piece of information or advice.
2. Furthermore, the insurance shall not be applied to the obligation to compensate any loss or damage:
    - a) which the insured is obliged to pay to the husband/wife, registered partner, sibling, direct relatives, family members involved in the operation of a family company, persons performing the activity together with the insured based on a partnership agreement, or to their husbands/wives, registered partners, siblings or direct relatives;
    - b) incurred to a business entity where the insured, her husband/his wife, registered partner, sibling, direct relative or a person living with the insured in the common household has a majority capital participation or where any family member involved in the operation of a family company, or person performing the activity together with the insured based on a partnership agreement, or her husband/his wife, registered partner, sibling, direct relative or a person living with the insured in the common household has a majority capital participation;
    - c) between persons insured by one insurance.
  5. If the insured has a right towards the aggrieved party or another person to the refund of a paid amount, reduction of pension, another repeated settlement, or to the salary blockage, the right shall be transferred to the insurance company if it paid this amount on behalf of the insured. The right to payment of costs listed in clause 3 of this Article, which were awarded to the insured against the opponent, shall be also transferred to the insurance company if it paid such costs on behalf of the insured.
  6. The insured has also a right that the insurer pays the compulsory amount on behalf of the insured:
    - a) to the insurer if the aggrieved party's right is transferred due to the indemnification provided by the insurer or due to expended salvage costs;
    - b) due to the settlement of parties causing the loss, according to their participation in the incurred loss;
    - c) in case of any sanction, i.e. enforcement of a right to payment of the amount paid to the aggrieved party by a person obliged to compensate the loss caused by the insured; provided that the right to the agreed insurance indemnification would be established based on the obligation of the insured to compensate a loss or damage connected with such amounts.

### **Article 5 Indemnification**

1. The indemnification shall be determined as a compensation of any loss or damage in case of bodily harm or death, to which the insured is obliged according to the applicable legislation. The indemnification shall be provided within the scope according to the legislation regulating the obligation to compensate any loss or damage in case of bodily harm or death, under the terms stipulated by these SIT, GIT and by an insurance policy.
2. The insurer shall provide the pecuniary indemnification within fifteen days after the end of an investigation necessary to find out the scope of its obligation to provide the indemnification. The currency conversion in case of the compensation of any loss, damage or deductible shall be made according to the exchange market rate published by the Czech National Bank and valid as of a day when the obligation of compensation is met. If the insurer suggests to provide any natural indemnification (by completion, repair or exchange of an item), it shall provide it within the deadlines agreed with an authorized person.
3. Furthermore, in terms of the agreed indemnification limit and sublimit, the insurer shall compensate the costs:
  - a) corresponding max. to the non-contractual remuneration of a lawyer for the defence in a preliminary procedure and first instance court proceedings in terms of a criminal procedure conducted against the insured in connection with an insured event;
  - b) proceedings on compensation of any loss or damage in case of bodily harm or death at the competent court if the insured is obliged to pay such costs; the costs for legal representation of the insured shall be paid by the insurer only if it committed itself to do so in writing;
  - c) expended by the aggrieved party in connection with the extrajudicial negotiation on the right to compensation of any loss or damage in case of bodily harm or death if the insured is obliged to pay it.
4. If the insured compensated the aggrieved party any loss or damage on its own, the insurer shall examine and evaluate all facts related to the origin of a right to indemnification, scope and amount of loss or damage as if the insured did not provide any compensation.

### **Article 6 Indemnification limits**

1. The upper indemnification limit is an indemnification limit. The indemnification limit shall be agreed in an insurance policy.
2. The total indemnification from one insured event shall not exceed the indemnification limit stipulated in an insurance policy. This shall be applied also for a sum of all indemnifications from more timely related events arising directly or indirectly from the same source, cause, event, circumstances, defect or another danger (hereinafter referred to as the "series insured event"). The occurrence of the first insured event of such a group is decisive for the occurrence of the series insured event.
3. The indemnification sublimit for the agreed insurable risks may be stipulated within the indemnification limit. The indemnification from one insured event, provided due to an insurable risk limited by a sublimit, shall not exceed this stipulated sublimit. This shall be applied also to the indemnification from the series insured event.
4. The insurer's total indemnification from insured events incurred within twelve consecutive months after the conclusion of insurance or its anniversary or within a definite period for which the insurance was agreed shall not exceed the double indemnification limit, sublimit stipulated in an insurance policy for the agreed insurable risks.

### **Article 7 Deductible**

The insurance is concluded with the insured's deductible in each insured event in the amount of CZK 1000. The insured shall share the indemnification from the series insured event with its deductible only once regardless the number of insured events in the series.

### **Article 8 Final provisions**

These SIT for liability insurance shall become effective on 25 October 2023.

### **Article 9 Explanatory provisions**

**Tap water and sewage water** is water running out of properly connected automatic washing machines, dishwashers, dryers,

flush toilets, water heating appliances and similar devices due to any defect of a supply or waste piping or supply or waste hoses of such devices, or defects on such devices.

**Fire** is any fire in the form of flame, which accompanies burning and which originated outside a determined fireplace or left such a fireplace and is spreading on its own. Fire is not any glowing and smouldering with the limited oxygen access, or any impact of utility fire and its heat, or impact of heat in case of a short circuit if the incurred flame did not continue spreading on its own. The impacts of fouling from fire, its extin-

guishing or construction demolition when extinguishing the fire shall be also considered as a damage or destruction of the subject of insurance by fire.

**Explosion** is a sudden destructive demonstration of compression forces consisting in the extensibility of gas or vapours. Explosion is also any intense pressure balance (implosion). Explosion is not any aerodynamic crash or explosion in a combustion chamber of the engine and other appliances where the explosion energy is being used purposefully.