

# Road Transport Liability Insurance

## AKR 01



Product guide  
Valid as of 1 January 2025

Road transport liability insurance gives road transport carriers good coverage against losses during transportation and delayed delivery. The policyholder's liability for damages is based on the Road Transport Agreement Act in domestic transport and on the CMR Convention in international transport. The Road Transport Agreement Act is based on the international CMR Convention, which is why people often talk about CMR insurance.

This product guide explains the main points of Road transport liability insurance. Detailed information about the contents of the insurance can be found in the terms and conditions of Road transport liability insurance (AKR 01), the General Terms of Contract and the insurance policy. You should familiarise yourself with these terms and conditions carefully.

### Road transport liability insurance covers the carrier's liability

Road transport liability insurance is designed for carriers, transport companies and motorists engaged in transport operations, carrying goods by road subject to a freight charge. This insurance is also intended for those who broker such transports.

A Road transport liability insurance provides cover in case of goods disappearing or being reduced or damaged during road transport, and in case of delayed delivery. In these situations, the policyholder's indemnification liability is determined on the basis of the Road Transport Agreement Act or the CMR Convention.

The Road Transport Agreement Act is based on the international CMR Convention. The carrier may be held liable as specified in the Road Transport Agreement Act or the CMR Convention, either as the carrier who made an agreement or as the carrier in charge of transportation. The carrier who made the agreement can only be liable for the transport loss

on the basis of the agreement they made, even if they themselves did not cause the loss. This is why, for example, transport brokers without their own transport equipment, forwarding agencies or lorry companies need Road transport liability insurance for their protection.

### Valid in Finland or in a wider area as agreed

The territorial scope of road transport liability insurance is agreed when concluding the contract. The insurance is valid in the operating area, i.e. the area where the policyholder transports goods. The decisive factor is the locations of the points of departure and destinations of the transport.

If the policyholder only operates within Finland, the territorial scope is Finland. If the policyholder also operates internationally, the territorial scope is determined in greater detail.

## What does Road transport liability insurance cover?

Road transport liability insurance covers losses for which the carrier is liable for damages. Such damages include the following occurring during transportation: goods being lost, reduced or damaged, or late delivery. The Road Transport Agreement Act and the CMR Convention specify both the carrier's liability and grounds for not being held liable. If the carrier is not liable for the loss, there will be no compensation. The insurance company will investigate the cargo carrier's legal indemnification liability.

The carrier's liability is limited based on the weight of the transported goods. In domestic transport, the maximum liability has been set at EUR 20 per one kilogramme of the gross weight of the goods. In international transport, the maximum liability is SDR 8.33 per one kilogramme of the gross weight of the goods, which equals approximately EUR 10. SDR is an abbreviation of Special Drawing Right, an international reserve asset created by the International Monetary Fund. For example, on 8 July 2021, SDR 1 was EUR 1.20264.

Usually, the amount of compensation is the value of the goods in the place where it was loaded on to the vehicle, plus transportation costs. These are generally shown in the sales and freight bills. If goods are damaged but have not lost all their value, the compensation consists of the repair costs, but only up to the value of the goods. Under the Road Transport Agreement Act and the CMR Convention, the cargo carrier shall not be responsible for any indirect costs arising from the loss, such as loss of sales margin or loss of benefit of use. The insurance does not cover indirect costs.

If the carrier has agreed on more extensive liability in the transport agreement than what is specified in the Road Transport Agreement Act or the CMR Convention, the insurance shall not compensate for such an extension.

### Example 1

A transport company has carried 12 fridge freezers from the importer's warehouse in Helsinki to a household appliance store in Rovaniemi. While the driver was unloading the goods at the recipient's warehouse, two fridge freezers fell off the loading lift and broke beyond repair.

According to the sales bill, the value of the goods, including VAT, was EUR 1,858. The freight charge for the entire cargo was EUR 120. The policyholder's deductible was EUR 500.

Compensation calculation:

Value of two fridge freezers according to the sales bill	EUR 1,858
minus VAT	-EUR 335
	EUR 1,523

+ Proportion of damaged goods of the full freight charge $2/12 \times \text{EUR } 120$ (VAT 0%)	+EUR 20
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Coverable loss amount	EUR 1,543
- Deductible	-EUR 500
The insurance compensated	EUR 1,043

The following check calculation can be made in example 1: The gross weight of two fridge freezers was 112 kg and so the maximum compensation on the basis of the weight limitation is  $112 \text{ kg} \times \text{EUR } 20/\text{kg} = \text{EUR } 2,240$ . Because the maximum compensation of EUR 2,240 calculated on the basis of weight exceeds the compensation of EUR 1,523 (VAT 0%) on the basis of the sales bill, the loss will be compensated on the basis of the sales bill. The freight costs are also compensated. In any event, the insurance company investigates the matter and negotiates with the party that suffered the loss about compensation if necessary.

### Example 2

Four computer CPUs were broken during transport. Their value before value added tax totalled EUR 8,000. The equipment weighed 52 kg in total. As this was a domestic delivery, the carrier's maximum liability for the loss was  $52 \text{ kg} \times \text{EUR } 20/\text{kg} = \text{EUR } 1,040$ .

If the freight charge accounts for EUR 80 of the damaged goods, the carrier's liability is EUR 1,120 in total. Of the EUR 1,120, the Road transport liability insurance compensates the amount that is in excess of the deductible.

### Loss prevention costs

The insurance compensates not only the carrier's direct indemnification liability but also such reasonable costs incurred by the policyholder in taking action to limit or prevent occurred or imminent losses covered by this insurance. Such transport loss rescue costs include those arising from the fact that transported goods in imminent danger of being damaged or destroyed are protected or moved away from the scene of loss to the nearest storage place, or loaded again to prevent such a loss. We do not compensate as transport loss rescue costs any fulfilment of normal obligations included in the transport agreement, such as delivering the goods to their destination.

## Legal expenses

In addition, the insurance covers reasonable legal expenses if a claim for damages concerning a loss that is coverable under the insurance is submitted to the court. In this case, the insurance company will assume the policyholder's defence at the legal proceedings and pay the legal expenses.

## Wrong temperature

The insurance covers loss or damage caused by excessive heat or cold or otherwise by temperature. The deductible for losses caused by incorrect temperature depends on the cause of the loss. If the loss caused by incorrect temperature is due to a road accident for which the insured party is at fault, the basic deductible stated in the insurance contract applies. If the loss is caused by the breakdown of a temperature regulator, the deductible is 10% of the loss amount. In other losses caused by temperature, the deductible is 25% of the loss amount. In all cases, at least the basic deductible specified in the insurance policy is subtracted from the loss amount.

## Expenses arising from the disposal of goods

The insurance compensates disposal costs for up to EUR 5,000 per loss with regard to destroyed goods and up to EUR 15,000 per insurance period if the loss is not covered by any other insurance.

## Maximum amount of indemnity and deductibles

The maximum compensation payable for a single loss shall be in accordance with the Road Transport Agreement Act or the CMR Convention, but no more than the amount shown in the policy document, which in domestic transport is EUR 1,000,000 and in international transport no more than EUR 500,000 per insurance event, unless otherwise agreed.

The amount of the policyholder's basic deductible is specified in the insurance policy for each loss. In addition, the special deductibles listed in the insurance terms and conditions and possible special deductibles specified in the insurance policy apply to the insurance.

The special deductibles listed in the insurance terms and conditions are as follows:

- overhead obstacle, 25% of the loss amount
- in case of losses pertaining to CIS countries, the amount on the insurance policy
- negligent guarding, 25% of the loss amount
- in losses due to temperature, either the deductible specified in the insurance policy or 10% or 25% of the loss amount, depending on the type of loss.

In all cases, at least the basic deductible specified in the insurance policy is subtracted from the loss amount.

## Territorial limits

The following territorial limits can be selected for the insurance

- Finland
- Nordic countries
- Nordic countries, Baltic countries and the neighbouring regions of Russia
- Europe, excluding Russia and other CIS countries
- Europe, including the European parts of Russia and CIS countries

Neighbouring regions of Russia refer to the region between highways M11 and M18 (Murmansk – St. Petersburg – Narva) and Finland.

The boundary between Europe and Asia follows the Ural mountains, the border between Russia and Kazakhstan, the western shore of the Caspian Sea, the border between Russia and Azerbaijan, the border between Russia and Georgia, and the northern shore of the Black Sea to the Bosphorus. The Black Sea and the Caspian Sea are considered to belong in their entirety to Asia.

CIS countries refer to the following countries: Armenia, Azerbaijan, Georgia, Kazakhstan, Kyrgyzstan, Moldova, Tajikistan, Turkmenistan, Ukraine, Uzbekistan, Belarus, and Russia.

## What does Road transport liability insurance not cover?

### Money and securities

The insurance does not cover the loss of or damage to money, securities, precious metals, jewellery or other such valuables.

### Contractual liability

The insurance does not cover the extension of liability, which the policyholder may have assumed under sections 5, 33, 35 or 48 of the Road Transport Act.

### Example

The carrier's statutory maximum liability is EUR 20 per kg in domestic transports. The transport company agreed with the sender on a triple maximum compensation, i.e. EUR 60 per kg.

When a loss occurred, the insurance did not compensate the EUR 40 per kg, i.e. the part which increased the carrier's statutory maximum liability.

### Negligent guarding or locking

The insurance does not cover any loss or damage if the transport vehicle, container, transport unit or goods item is left unguarded, or the vehicle or cargo space is left unlocked. Guarding and locking must be

done as described below to be considered compensable loss or damage.

Guarding means that the area where the transport vehicle, container, transport unit or goods item is left is closed and guarded 24 hours a day, and that the area is subject to continuous and adequate access control for people and vehicles.

Guarding also means that the vehicle may not be left without continuous supervision except for such business as is necessary for the completion of the transport assignment or the driver's own necessary personal needs for a short period of time. This supervision is continuous when the driver sleeps in the driver's cabin in the vehicle.

In transportation activities conducted within Finland, a transport vehicle, container, transport unit or goods item may be left unguarded for a maximum period of 24 hours (see special deductible 8.5.2.3). In the aforementioned cases, the vehicle must be locked, and its immobiliser and alarm equipment (see also section 10 Special terms and conditions) must be switched on.

The vehicle and cargo space must always be locked so that it is impossible to enter the vehicle or its cargo space without breaking in. If it is impossible to lock the cargo space due to its structure, the vehicle must be parked whenever possible in a way that restricts access to the vehicle's cargo space. Moreover, the doors must be fitted with seals, and the intactness of the seals must be inspected in connection with every rest break.

#### Example

The transport company transported electronics worth approximately EUR 200,000 from Finland to Italy. When in Milan, the driver decided to buy souvenirs and other items for his family at a department store. He parked his articulated lorry about 100 metres from the department store in an unguarded area frequently used for parking articulated lorries. He locked the cargo space and cab doors. He also locked the steering wheel and clutch with a so-called steering wheel lock. When he returned he found that the lorry, including the cargo, had been stolen.

It was found empty a week later in another city. The loss was not compensated, because the vehicle had been left unguarded. A vehicle is not considered to be guarded when the driver has left it without uninterrupted supervision while shopping. Buying souvenirs is not an action required by the driver's necessary personal needs. While buying souvenirs, the driver should have had continuous visual contact with the vehicle and all the doors or left the vehicle in a closed area with 24-hour surveillance.

## Erroneous deliveries in CIS countries

The insurance does not cover any loss arising from erroneous delivery of the goods to the wrong recipient or to anyone other than the person entitled to receive the goods in the CIS countries.

## Loading method

The insurance does not cover any loss or damage caused by a loading method that is contrary to any laws or statutes or any regulations or licences issued by the authorities.

### Example

A cargo strap used for tying the load broke, causing a heavy printing machine to move location in the cargo space and then fall onto the road, suffering major damage. A police investigation revealed that the loss had been caused by the fact that the cargo strap's nominal strength was only a fourth of the strength required by the load. Regulations state that cargo straps must withstand a load that is twice and its metal parts 1.4 times the nominal strength without breaking. The loss was not compensated under the insurance, because it was caused by a loading method that did not meet the regulations.

## Negligent protection

The insurance does not cover any loss or damage arising from goods being inadequately covered during carriage or while being stored outdoors.

## Insurance premium

The insurance premium of the Road transport liability insurance depends on, e.g.

- vehicle type
- transport areas
- types of goods mainly transported
- net sales per area of transport operations.

## Safety regulations of the Road transport liability insurance

Safety regulations oblige the policyholder or the insured party to follow instructions specified in the insurance contract, insurance policy or insurance terms and conditions, or otherwise written down, aimed at preventing or limiting the occurrence of loss or damage. If the policyholder has wilfully or through negligence failed to observe the safety regulations, and the negligence has exerted an effect on the occurrence of loss or damage, compensation may be disallowed altogether or reduced.

The safety regulation for Road transport liability insurance is

- Road transports S956

Other safety regulations listed in the policy document may also apply to the insurance and are binding on the policyholder.

## Notify us of increased risk of loss or damage

The policyholder must inform the insurer without delay if material changes that increase the risk of loss or damage have occurred in the circumstances reported at the time of concluding the insurance contract or the information entered in the insurance policy. The risk of loss may be increased, for instance, by the transported goods becoming more sensitive to damage, change of the transport area, or increase of the transport operations net sales.

If this notification is neglected, indemnity may be disallowed or reduced, or the insurance contract may be terminated.

## Responsibility for preventing and mitigating damage

In the event or immediate risk of loss/damage, the policyholder or insured person must, within their capabilities, take the necessary action to prevent and limit the damage and observe the instructions provided by the insurance company. If the policyholder wilfully or through negligence fails to perform the damage prevention and limitation duty, and the failure has exerted an impact on the damage, indemnity may be disallowed or reduced.

## Instructions in case of loss

- Inform the insurance company about any losses without delay. You can file a loss report in our online service ([op.fi](https://op.fi)) or in Pohjola Claim Help ([vahinkoapu.pohjola.fi/en](https://vahinkoapu.pohjola.fi/en) – Corporate customers – Law – More instructions – Goods were damaged during transport – instructions for the carrier).
- Always give the insurance company the opportunity to inspect the loss and facilitate an amicable settlement.
- Instruct the party suffering loss not to dispose of the damaged goods before the loss inspection, unless this has been specifically authorised.
- Take the necessary action to prevent and limit loss or damage. Follow the instructions provided by the insurance company.
- If the damage was caused by a third party, take the required measures to retain the insurance company's rights against the party that caused the damage. For example, establish the identity of the third party that caused the damage.
- If the loss or damage was caused by a crime, report it to the police.

- If the insurance event gives rise to legal proceedings, notify the insurance company without delay.

## Filing a claim

The loss report should be completed carefully and you should enclose any information and documents required for determining the insurance company's liability; such as the waybill, commercial invoice, claim for damages or complaint filed with the carrier. Insurance compensation must be claimed from the insurance company within one year of the date on which the claimant was informed of their entitlement to compensation. However, please note the period of limitation in accordance with the Road Transport Agreement Act.

## Appeals

Policyholders and other claimants who feel the insurance company's decision on the settlement of a claim is unjust may appeal against the decision. The claims settlement decision provides information on the appeals procedure and time limits.

More information on the grounds for the decision and on other matters related to the case can always be obtained by contacting the claims department or the claim handler who made the decision. The contact information is included in the claims settlement decision. If necessary, our company's customer ombudsman can be requested to make a correction. Independent of the claims department, the customer ombudsman aims at verifying the correctness of claims settlement decisions as soon as possible.

Appeals can be submitted to various boards or other appeals bodies, such as courts of first instance.

More information on appeal options is provided in the instructions of appeal attached to the insurer's decision and can also be found at [op.fi/filing-a-complaint](https://op.fi/filing-a-complaint).

## Personal data processing

Pohjola Insurance processes customers' personal data in accordance with regulations in force and in a manner described in greater detail in the Privacy Statement and the Privacy Notice. The customer is advised to read the indicated privacy information. The Privacy Statement and the Privacy Notice are available at [op.fi](https://op.fi) and at Pohjola Insurance Customer Service outlets.

## Insurance sales commissions

The insurance company pays a commission that is either a percentage of the insurance premium or a fixed fee based on the number of policies sold. The commission and its amount are affected by the insurance product and sales channel. The commission is paid to the agent or insurance company employee.





## Our services

### Manage your insurance policies at op.fi

Log into op.fi using the user identifiers for your own bank.

Once logged in, you can

- Report a loss and file claims
- make changes to your company's policies
- order a Green Card
- print out certificates of insurance

Learn more about our services for commercial transport service providers at [op.fi/commercial-transport](https://op.fi/commercial-transport).

### Pohjola Claim Help at your service 24/7

Pohjola Claim Help provides clear instructions for all types of losses. In the event of vehicle damage, Pohjola Claim Help also lists the contact details of Pohjola Repair Advisors and other repair shop partners.

Pohjola Claim Help is available at [vahinkoapu.pohjola.fi/en](https://vahinkoapu.pohjola.fi/en) and the OP Business mobile app.

## Our telephone service

A-Insurance services for commercial transport

- Insurance and Claims Settlement 0304 0506\*

Pohjola Insurance

- Insurance and Claims Settlement 0303 0303\*

Statutory insurance telephone services\*

- Motor liability insurance and claims and workers' compensation insurance and claims 0100 5335\*

## Advice on claims and insurance policies

Our insurance and claims advisors provide personal assistance in our telephone service. You can also file a complaint or appeal an insurance or claim settlement decision with our customer ombudsman. For more information on filing an appeal, visit [op.fi/filing-a-complaint](https://op.fi/filing-a-complaint).

For independent advice, contact the Finnish Financial Ombudsman Bureau (FINE), tel. +358 9 6850120, [www.fine.fi/en](https://www.fine.fi/en)

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