



Liability Cover for Property Being Handled by or in the Care of the Policyholder



PRODUCT DESCRIPTION

460138e 05.18

Valid as of 1 January 2017.

This product description provides a general outline of what the liability insurance for Property Being Handled by or in the Care of the Policyholder covers and what the main exclusion clauses are.

Please also read the insurance terms and conditions because they define the content of the insurance. The following are applied to this policy:

- Special clause for Property Being Handled by or in the Care of the Policyholder 321 (VA 04)
- General Terms of Contract YL

The liability insurance can also involve industry-specific or customer-specific special terms and conditions.

What is covered by the liability insurance for Property Being Handled by or in the Care of the Policyholder?

Liability insurance cover for Property Being Handled by or in the Care of the Policyholder 321 (VA 04) expands the coverage for Commercial General Liability Insurance and Global Liability Insurance taken out from us.

Commercial General Liability Insurance and Global Liability Insurance cover losses to third parties for which your company is liable. However, these do not compensate losses to property held by or being handled by or in the care of the policyholder (that is, the target of the work) or to property that must be protected or prevented from being damaged. This property can be insured with liability cover 321 (VA 04).

Liability cover 321 (VA 04) does not expand or change in other respects the insurance terms and conditions of Commercial General Liability Insurance or Global Liability Insurance.

What kind of property damage does the liability insurance cover?

You cannot generalise the following examples, because each insurance event's circumstances affect the claims settlement decision.

Example: A policyholder who is a transport entrepreneur was loading goods in the warehouse of its customer company. In order to get goods from the loading dock the policyholder had to borrow the customer's fork lift. The policyholder accidentally collided with the concrete loading dock and damaged the fork lift. We compensated the fork lift's repair costs from liability cover 321 (VA 04).

Example: A policyholder was washing the façade of a block of flats with a pressure washer. The windows had not been properly protected, and some of the windows were damaged. In addition to

this, water got into the flats, damaging the residents' property and homes. We compensated losses to the homes and the residents' movable property under Commercial General Liability Insurance. Damage to the windows was compensated under liability cover 321 (VA 04). Although we paid compensation from two policies, we only charged one deductible. Because the deductibles were not equal, we charged the higher deductible, which was the one for liability cover 321 (VA 04).

Example: A policyholder was performing annual maintenance on the ski lift of a ski resort. The cage of a passenger hoist hit the ski lift cable and damaged it. We compensated the costs for repairing the cable under liability cover 321 (VA 04).

Example: A policyholder was pressurising the pipes during renovation. When testing the water pressure, water got into the condenser connected to the pipes. Although the condenser was emptied, some water remained in them and they froze in the winter. We compensated the costs for repairing the condenser from liability cover 321 (VA 04).

Example: A policyholder was maintaining a main distribution board. The neutral wire was left loose, causing a short circuit, damaging the entire distribution board. We compensated the loss from liability cover 321 (VA 04).

We will determine your company's liability

In cases of losses which are covered by the policy and which exceed the deductible, we will find out whether your company is liable to pay indemnity. When the loss is coverable under liability insurance for Property Being Handled by or in the Care of the Policyholder and the policyholder is liable for the loss, we will pay the compensation less the value added tax and deductible to the injured party. However, if the policyholder is not liable for the loss, we will defend the policyholder against the claimant in legal proceedings. Investigation and legal defence expenses are also covered.

What kind of losses does the liability insurance not cover?

Liability cover for Property Being Handled by or in the Care of the Policyholder does not compensate everything your company can end up being liable for, although it does expand the coverage of Commercial General Liability Insurance and Global Liability Insurance. So please read the terms and conditions and the following examples.

Liability cover 321 (VA 04) does not compensate damage to property stored or hoisted by the policyholder.

By stored property we mean third-party property in your company's possession in your storage or otherwise kept by your company. It is insignificant with respect to the exclusion clause whether the storage had been paid for or not, nor how long the property was stored by the insured party.

Hoisted property refers to such property that is typically hoisted by companies engaged in such business by means of a variety of cranes, including truck cranes, mobile cranes, and lorries equipped with loading cranes.

Ask your contact person whether

- third-party property kept in your company could be included under your company's property insurance policy
- any hoisting performed by your company could be insured with cargo handling insurance, compensating immediate property damage caused by hoisting.

Example: A cargo company employee was requested by the building site manager to lift hollow-core slabs. The straps failed, and the slab fell down and was damaged. Since the loss was caused to property being hoisted by the cargo company, we did not compensate loss of the hollow-core slab under liability cover 321 (VA 04).

We do not compensate under liability cover 321 (VA 04) any losses to property the policyholder has rented or other property comparable to the policyholder's fixed assets.

Example: A machine workshop operated from a rented property. A fire broke out during assembly work, damaging not only their own property but also the rented premises. We handled the damage to the workshop's own property under the workshop's property insurance. We did not compensate the damage caused by the fire to the rented property under liability cover 321 (VA 04), because the premises were rented property.

Example: A facility services company needed a sweeping machine, and bought one on a finance lease deal. An employee drove the machine carelessly, damaging it. Since the loss concerned property comparable to fixed assets, we did not cover losses to the sweeping machine under liability cover 321 (VA 04).

Property comparable to fixed assets refers to, for example, tools, equipment, production machinery and rental premises needed for the policyholder's work performance. It is insignificant with respect to the exclusion clause whether the fixed assets have been paid for or not or obtained under lease financing or ownership retention provision.

It is worth discussing with the owner of rented property how such property is insured. You can also enquire from your contact person whether property rented or used by your company could be included under your company's property insurance.

No compensation is made under liability cover 321 (VA 04) if compensation liability is based on forwarding, warehousing or transport operations or the Road Transport Agreement Act, similar foreign acts, the CMR Convention or another Finnish or foreign act, regulation or agreement related to a mode of transport, or the forwarder's liability in accordance with the General Conditions of the Nordic Association of Freight Forwarders.

Example: A policyholder was loading its customer's goods into a ship. Some goods fell off the fork of a fork lift and were damaged. We did not compensate these goods under liability cover 321 (VA 04) because it was a case of indemnification liability based on cargo handling.

Ask your contact person how cargo, forwarding or warehouse risks could be insured with road transport, forwarding, terminal or stevedoring insurance.

Losses caused by the insured parties to each other will not be compensated under liability cover 321 (VA 04).

If the insurance has been taken out for more than one company, no loss caused by any of these companies to each other will be compensated on the basis of liability cover concerning property being handled.

Example: The insurance was taken out for the policyholder and its subsidiary. An employee of the subsidiary came to maintain the policyholder's printing machine, which was damaged during the maintenance. Since the loss concerned property owned by a company insured under the same policy, we did not cover the damage to the printing machine under liability cover 321 (VA 04).

Territorial validity, maximum indemnity and deductible

The territorial scope, maximum indemnity and deductible of liability cover 321 (VA 04) have been entered in the policy document. You must pay the deductible yourself to the injured party.

The maximum indemnity refers to the amount that can be paid out during one insurance period. This includes the costs of preventing any imminent losses, and also investigation, negotiation, interest and legal expenses.

The sum insured of liability cover 321 (VA 04) is not part of the Commercial General Liability Insurance or Global Liability Insurance's sum insured unless otherwise stated in the policy document.

Factors affecting the premium

The insurance premium of liability cover 321 (VA 04) is affected by your company's line of business and payroll amount or turnover. The premium is also affected by the chosen sum insured and deductible. Other factors, such as any quality system, may affect the premium level in individual cases.

Handling of personal data

OP handles customers' personal data in accordance with regulations in force and in a manner described in greater detail in the Privacy Statement and the Privacy Policy. It is recommended that the customer read such privacy protection information. The Privacy Statement and the Privacy Policy are available at op.fi and the OP's customer service outlets.

Insurance sales commissions

The insurance company will pay 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 is affected by the insurance product and sales channel. The commission is paid to the agent or insurance company employee.

Contact us

eServices at

- op.fi
- a-vakuutus.fi
- Insurance service numbers OP +358 (0)10 253 1333 and A-Insurance +358 (0)304 0506

Calls from a landline network and mobile phones in Finland cost EUR 0.0835 per call plus EUR 0.12 per minute. The rates are inclusive of 24% VAT. We record customer calls to assure the quality of customer service, among other things. Read more about the subject at uusi.op.fi/tietosuoja.

Pooling our resources.

