

# Professional Liability Insurance for IT Company Consultants



Product guide  
Valid as of 1 April 2020

This product guide provides a general outline of what Professional Liability Insurance for IT Company Consultants 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:

- Professional Liability Insurance for IT Company Consultants, terms and conditions VA 18
- General Terms of Contract YL

Customer-specific special clauses can also apply.

## The insurance covers losses resulting from consultation on IT products and services

If a consultant executing orders makes a mistake and causes a loss, they can become liable for the loss they cause. Professional Liability Insurance for IT Company Consultants covers this liability for damages. The insurance covers losses arising from errors in IT consultation.

## Loss or damage covered by the insurance

Professional Liability Insurance for IT Company Consultants covers bodily injuries, material damages and financial losses caused to a third party for which the insured is held legally or contractually liable. The liability for damages can be based on factors such as an error, deficiency or omission in plans, calculations, reports, counsel, instructions or equivalent expert service.

The prerequisite for any payment of compensation is that the loss was discovered during the insurance period and that it is the result of an error, deficiency or neglect that took place no more than 10 years before the claim was made.

## We will determine your company's liability

In cases of losses which are covered by the policy and which exceed the deductible, we will determine whether your company is liable. We will work with you in investigating the loss or damage. If your company is liable for the loss, it will be indemnified, less the deductible. 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.

## The insurance does not cover all losses or damage

The insurance does not cover everything your company can be liable for. Insurance policies always include restrictions, read them carefully!

## Main exclusion clauses in the insurance

Professional Liability Insurance for IT Company Consultants does not cover, for example,

- loss related to a patent, other immaterial right or disclosure of trade secret

- consequential or indirect loss such as lost output or profit or other financial loss caused to other than the policyholder's contractual party
- work performed in order to repair the results of work done on the basis of a commission agreement, or work redone, even if the work is performed by a party other than the policyholder
- loss caused by malicious software
- fines, punitive damages, taxes, additional taxes, tax increases, or similar sanctions
- loss or damage caused by delay.

## Examples of losses

We have provided examples below showing which kind of losses are indemnified under Professional Liability Insurance for IT Company Consultants and which are not. These examples cannot be generalised, as the circumstances of each insurance event affect the claims settlement decision.

### Example

A delivered a software application to its customer B and provided them with ordinary database maintenance and monitoring services. B's production environment crashed. According to an expert, the crash was caused by a fault in B's operating system. Before the incident, A had performed miscellaneous work for B, in connection with which A had deactivated backup copying. As a result of this, the system data for the last two days could not be restored after B's IT system crashed. According to A, they should have informed the customer that backup copying had been deactivated, but for some reason this was not made.

B was of the opinion that A was liable for the extra costs, overtime and interruption of operations that resulted from this. B claimed compensation from A for the aforementioned costs as well as the related investigation and legal expenses. A denied its liability and stated that its contractual obligations did not include the maintenance and servicing of B's applications and servers in the extent proposed by B. IT2010 General Terms and Conditions were applied to the service agreement. In addition, a licence agreement for the software application had been concluded between A and B. B was of the opinion that, based on the separate agreement, A's liability for the loss was more extensive than that based on the IT2010 General Terms and Conditions. A settlement was reached in the matter after negotiations and we compensated the agreed part of the loss, less the deductible.

### Example

A delivered a cash system to B. Due to an error in the system, part of the goods scanned at the cash register were not debited from buyers. Due to this error, B suffered financial loss in the form of uncharged prices. We covered the loss, less the deductible.

## Territorial scope, maximum indemnity and deductible

Professional Liability Insurance for IT Company Consultants is valid in the European Union, Norway, Iceland and Switzerland, unless otherwise stated in the insurance policy.

The maximum indemnity for losses during a single insurance period is EUR 100,000 or some other sum that has been entered in the insurance policy. In addition to the compensation, the maximum amount includes the costs of investigation and legal expenses.

The policyholder's deductible for each loss is EUR 2,000 or the deductible entered in the policy if the latter is higher. The deductible is applied for each error.

## Factors affecting the premium

The premium of Professional Liability Insurance for IT Company Consultants depends on your company's field of operations and invoicing. The premium is also affected by the chosen sum insured, deductible and the territorial scope of insurance.

The consultant's liability towards the client is also determined and restricted by the industry-specific terms and conditions, such as IT2015 and IT2018. If such terms and conditions are applied to the order agreements, the insurance premium may be reduced.

## In the event of loss or damage

### Instructions

As soon as the loss is detected, efforts must be made to limit the loss occurred and eliminate the cause of the loss. The reasons and the sequence of events leading to the loss must be properly documented and repair work started promptly to prevent any further losses. Allow us the opportunity to assess the loss with you.

Send us as accurate an account as possible of the factors and the error that led to the loss, and any contracts and plans concerning the commission.

## How to claim indemnity under liability insurance

The loss must be reported as soon as possible once information of the loss has been received or the claim has been made. The party suffering the loss cannot file a loss report on behalf of the policyholder. A loss report does not have to be filed in a specific format. You can do it through our eServices, for example, on the corporate liability loss form. The loss report should be made with care in order to ensure maximum speed and correctness in the processing of the claim. A loss report must be made within one year of the loss being discovered.

## Appeals

A policyholder or party suffering loss who is not satisfied with the claim settlement decision may appeal it. See the instructions on filing a complaint or appeal appended to the claim settlement decision. For more information about appealing, go to [op.fi](http://op.fi).

## Handling of personal data

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 Policy. It is recommended that the customer read such privacy protection information. The Privacy Statement and the Privacy Policy are available at [op.fi](http://op.fi) and the Pohjola Insurance'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.



## Our services

### Manage your insurance matters at op.fi

Login to 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

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

Pohjola Claim Help provides clear instructions for all types of accidents and losses. In the event of loss or damage, Pohjola Claim Help also lists the contact details of our doctor, repair shop and other partners.

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

## Our telephone services

Pohjola Insurance

- Insurance and Claims Settlement 0303 0303\*

Service numbers for statutory insurance\*\*

- Motor third party liability accidents 030 105 502
- Work-related accidents 030 105 503
- Motor third party liability and occupational accident insurance 030 105 501

\* From mobile phones and landline networks in Finland, EUR 0.0835 per call plus EUR 0.12 per minute. The price includes VAT.

\*\* Call charge: local/mobile network rate (lnr/mnr).

We record customer calls to assure the quality of customer service, among other purposes.

## 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](http://op.fi/filing-a-complaint)

For independent advice, contact the Finnish Financial Ombudsman Bureau (FINE), tel. +358 9 685 0120, [www.fine.fi/en](http://www.fine.fi/en)

Pohjola Insurance Ltd, Business ID: 1458359-3

Helsinki, Gebhardinaukio 1, 00013 OP, Finland

Domicile: Helsinki, main line of business: non-life insurance companies

Regulatory authority: Financial Supervisory Authority, [finanssivalvonta.fi/en](https://finanssivalvonta.fi/en)

