



Motor liability insurance

Insurance terms and conditions, 1 January 2023

1 Scope of insurance terms and conditions

The insurance terms and conditions apply to both individuals and companies and institutions concerning vehicle-specific motor liability insurance for motor vehicles used in traffic.

2 Territorial limits

A motor liability insurance policy granted for a motor vehicle is valid in all European Economic Area (EEA) countries. In non-EEA countries that have signed the Green Card Agreement, the motor liability insurance is valid as a general liability insurance on the basis of a Green Card issued by an insurance company, or without it, when one is not necessary. In these countries the amount of compensation for road accidents is determined under the legislation of the country where the accident took place.

3 Content of the insurance

The motor liability insurance indemnifies bodily injuries and material damage, as prescribed under the Motor Liability Insurance Act, that took place when the motor vehicle was used in traffic in Finland.

The insurance will also indemnify road accidents involving the insured person's motor vehicle in another EEA country under the relevant legislation in these countries concerning road accident indemnification or alternatively under the Finnish Motor Liability Insurance Act if the latter provides better cover. Similarly, road accidents involving the insured person's motor vehicle while driving from an EEA country directly through a non-EEA country to another EEA country will be indemnified, provided the other party involved is a vehicle registered in an EEA country.

4 Insurance contract

4.1 Insurer

The insurer of motor liability insurance is Pohjola Insurance Ltd.

4.2 The policyholder's obligation to provide information prior to concluding insurance contract

The policyholders' obligation to submit information prior to concluding an insurance contract and to rectify any of the information that is incorrect or incomplete is determined by section 2.2 of the general contract terms and conditions. Section 2.2.1 is applied to policies taken out by companies and institutions, and section 2.2.2 for those taken out by consumers and businesses comparable to consumers.

If the policyholder has wilfully or through gross negligence neglected their duty to disclose information and the insurance company, if it had received the correct information, would have charged a higher premium, the insurance company, after having been notified, has the right to charge a higher premium retroactively. If the insurance company had granted the policy at a lower price than had been agreed, extra premiums that were charged do not have to be returned.

If, owing to a deliberate neglect to disclose information, a person who is not by law obliged to insure the object has been entered as the policyholder, the insurance premium will be the responsibility of both the policyholder and the person who is obliged to insure the vehicle. The insurance company may, within 14 days of having learned of any irregularities, cancel the policy.

4.3 Changes in circumstances during the insurance period

The policyholder's obligation to inform the insurance company of any changes during the period of insurance is determined by section 5.2 of the general contract terms and conditions. Section 5.2.1 is applied to policies taken out by companies and institutions, and section 5.2.2 for those taken out by consumers and businesses comparable to consumers.

If the policyholder has wilfully or through negligence that cannot be considered minor failed the obligation to disclose information about a change in circumstances and the insurance company, had it received the correct information, would have granted the policy for a higher premium, the insurance company has the right, once it has received such information, to charge a higher premium retroactively.

5 Commencement of the insurance company's liability

Unless specifically agreed otherwise between the parties, cover commences when the insurance company or the policyholder delivers or dispatches an acceptance of the offer made by the other party to the contract. Cover cannot be agreed to commence any earlier than this under any contract.

If the policyholder has submitted or sent a written insurance application to the insurance company and if it is apparent that the insurance company would have approved the application, the insurance company will also assume liability for an insurance event occurring after the application was submitted or sent.

An insurance application or an affirmative reply which the policyholder has submitted or sent to the insurance company's representative is considered to have been submitted or sent to the insurance company.

If there is no clarification of the time of day when the reply or application was submitted or sent, it shall be considered to have taken place at 12.00 midnight.

If there are special circumstances, such as the policyholder's earlier default of payment of the premium, the insurer's liability starts only when the premium for the first insurance period has been paid.

6 Insurance period

The first insurance period is a maximum of 13 months and the following 12 months, unless otherwise specified in another agreement concerning the contents of the insurance policy.

7 Validity of insurance contract

Unless otherwise provided below, an insurance contract will be in force for one insurance period after another until the vehicle owner's or keeper's obligation to insure the vehicle ends, even if no insurance premium had been paid by the due date.

8 Insurance premium

8.1 Premium bases

The insurance premium is calculated according to the premium basis applied by the insurance company.

However, insurance premiums are calculated as provided in section 20 of the Motor Liability Insurance Act, with a view to safeguarding the interests of the insured and injured parties provided that insurance premiums are in reasonable proportion to the expenses arising from the insurance policies and that insurance premiums are usually higher on policies under which compensation has been paid out.

The amount of insurance premium may vary according to differences in the risks to which different policyholder categories are exposed.

8.2 Payment of insurance premium

The obligation pay insurance premiums is determined by section 4.1 of the general contract terms and conditions. Section 4.1.1 is applied to policies taken out by companies and institutions, and section 4.1.2 for those taken out by consumers and businesses comparable to consumers.

Situations referred to in the final paragraph of section 5 of these motor liability insurance terms form an exception to all policyholders; in such situations, payment of the premium for the insurance period is a condition for the insurance company to assume liability and for the motor liability insurance to commence. A note of this will be made on the payment receipt.

8.3 Delayed insurance premium payment

Overdue insurance premiums shall carry an annual penalty interest pursuant to the Interest Act. The insurance premium including penalty interest is collected through distraint without a court ruling or decision, subject to the provisions concerning the execution of taxes and charges. If the insurance premium is not paid despite collection, the insurance company has the right to change an insurance contract paid in multiple instalments into a single instalment contract at the beginning of the next insurance period.

Under the Debt Collection Act, the insurance company is entitled to compensation for expenses arising from the collection of insurance premiums. If the insurance company has to collect an unpaid insurance premium through legal action, it is also entitled to be reimbursed for the statutory fees and charges incurred due to legal proceedings. The insurance company may transfer outstanding amounts for collection by a third party.

8.4 Premium refunds

The policyholder is entitled to receiving a refund of insurance premiums for the vehicle, according to the grounds applied by the insurance company, for the vehicle's decommissioning period. The vehicle's decommissioning period is considered to be the period entered in the vehicle register of the Road Traffic Sector of the Transport Safety Agency (Traficom).

A decommissioning refund is not granted to museum vehicles, export plates, yellow test plates, vehicle dealership's collective motor liability insurance nor Motor Liability and Comprehensive Motor Vehicle Insurance for Taxis.

If a motor vehicle is nevertheless used in traffic during decommissioning, the insurance company will charge a triple premium from the date of the decommissioning to the date when it was discovered that it had been used in traffic.

If the insurance terminates before the date agreed, the insurance company is entitled only to the premium for the period during which it was liable. The remainder of the premium paid will be returned to the policyholder.

The insurance premium to be refunded is calculated as 1/360 of the annual premium.

A minimum premium of EUR 14 for other vehicles and EUR 100 for snowmobiles and unregistered motorcycles is always charged.

However, no refund is paid if the sum to be refunded is less than the sum in euros specified in the Motor Liability Insurance Act.

The insurance company must pay an annual penalty interest under the Interest Act on any overdue insurance premium refund. Penalty interest on late payments shall be paid from the month following the receipt of the statement entitling the company to a refund.

8.5 Expiry of insurance premium receivable

Insurance premium receivables expire permanently 5 years after the end of the calendar year when issued or invoiced. If an invoice has not been sent, the insurance premium receivable will expire 5 years after the end of each insurance period.

9 Altering the terms of contract at the end of the insurance period

9.1 Policy terms and premiums

The insurance company is entitled to amend the policy terms, premiums and other terms before the following insurance period by virtue of section 15.2 of the general contract terms and conditions. Section 15.2.1 is applied to policies taken out by companies and institutions, and section 15.2.2 for those taken out by consumers and businesses comparable to consumers. Moreover, section 9.2 below is applied to review the insurance premiums of all policyholders.

9.2 Insurance premium

The insurance company is entitled to change the amount of the insurance premium on the basis of statistics collected on insurance policies and claims paid, in an effort to safeguard the interests referred to in section 20 of the Motor Liability Insurance Act, in such a manner that the premiums are in reasonable proportion to the expenses arising from the insurance policies. The amount of premiums may also be changed to reflect changes in claims costs and expense level or for any of the reasons mentioned below.

Insurance premiums may be set at different levels in different policyholder groups using different premium rating criteria according to the risk of loss or damage concerned. Such rating criteria include the technical details and method of use of the insured vehicle and information about the driver and policyholder. The premium rating criteria and the level of premiums can be amended on the basis of statistical evidence to correspond to the risk of loss or damage.

If the insurance company makes any of the changes described above or in section 9.1, the insurer will send the policyholder, together with the invoice, a notice specifying how the premium or any other terms will change. The notification shall state that the policyholder has the right to cancel the insurance. The insurance company shall submit a notification of any changes no later than one month before the beginning of the new insurance period.

9.3 Bonus

If there has been no damage during an insurance period, the policyholder is entitled to a premium reduction (bonus)

in the following period and conversely obliged to pay a higher premium if the insurance company has paid compensation under the policyholder's insurance.

Motor liability and comprehensive motor vehicle insurance for taxis is a corporate insurance policy without no-claims entitlement (no longer sold). No bonus discount applies to the premium, and any losses will not cause any loss of no-claims bonuses.

9.3.1 Application of bonus system

The bonus system for private individuals' motor liability insurance policies is applied to passenger car, van, campervan, lorry, bus, and motorcycle policies.

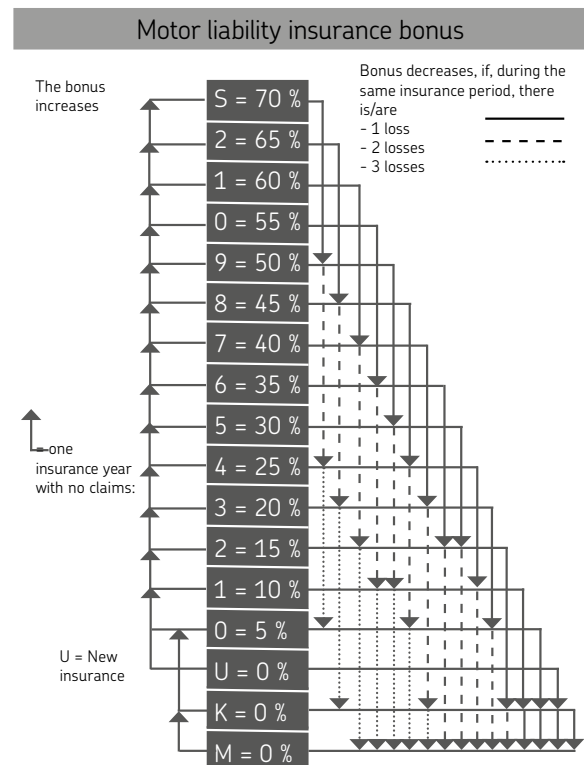
Motor liability insurance policies comply with the Motor Liability Insurance Act provisions on the effect of insurance and claims history on the insurance premium. The bonus affecting the premium is based on the policyholder's insurance and claims history. By insurance and claims history, we refer to information on losses to passenger cars, vans, campervans, lorries, buses, and motorcycles and the validity of their policies. The amount of bonus is determined, regardless of the purpose of use, by the claims histories of all cars and motorcycles, respectively. The uses are private, licensed, school vehicle, and renting without a driver.

One day of use in traffic is counted as one day, even if several vehicles had been used at the same time.

If the vehicle to be insured is one that does not have to be registered or is a museum vehicle, the bonus system described herein is not applied.

The vehicle must be owned by or be in the possession of the policyholder.

9.3.2 Bonus class



The bonus classes for motor liability insurance are shown in the table above.

A new insurance starts off in bonus class U (0% bonus). A new insurance for motorcycles is placed in class 3 (20% bonus). A policy is considered to be new if the policyholder has a no claims history. If the policyholder refuses access to their claims history, the policy will be placed in bonus class U (0% bonus). A claims history may not be transferred to another person. Neither can a claims history be transferred from one vehicle to another. When the bonus percentage and bonus class have been determined for a vehicle, the bonus is from then on linked to that particular policy.

Following each insurance period in which no claims have been paid out by the insurer that would affect the bonus class, the policy is moved up to a higher class. See also clause 9.3.4.

From class M, the insurance moves to K (0%), from K to O (5%), from U and O to class 1 (10%), from 1 to 2, and from then upwards one class so that after class 12 (65%), the insurance moves to class S (70%) on the basis of any insurance period when the insurance company has not paid out compensation that affects the bonus class.

The requirement for a policy to be moved up to a higher bonus class is that the vehicle has been on the road during the insurance period for at least 120 days, or 90 days in the case of motorcycles. During a period of one year, the insurance can be transferred only once to a higher bonus class.

A policy will be placed on the basis of a certificate issued by a foreign insurance company applying a Green Card system as if the policy had been in force in Finland for the same period that the policyholder has had a valid insurance abroad. The certificate must state the policy's period of validity and the dates of any losses.

9.3.3 Transfer of claims history between policies that began before 1 June 2017

The claims history of vehicles can be transferred as follows:

- 1) Car
- 2) Motorcycle
 - A. Private
 - B. operation subject to licence
 - C. driving school vehicle
 - D. rental without driver
 - E. Sales stock

Policyholders may transfer the claims history relating to the vehicle insurance only within classes 1 and 2, but not between them. Furthermore, the claims history can be transferred within classes A to E, but not between them.

If a policy whose claims history has been transferred to another policy remains in force, it is priced like a policy with no claims history.

No claims history may be transferred to a policy whose bonus class is lower as a result of an accident occurred than the class justified by the claims history.

The provisions of these special terms and conditions also apply to transfers of claims histories from policies issued by other insurers.

9.3.4 Loss affecting insurance premium

The policy will be moved from one bonus class to another after the end of an insurance period on the basis of the number of losses compensated for during the insurance period, in accordance with the table in section 9.3.2. The number of claims paid refers to the number of losses for which the insurer has paid compensation under the policy.

A claim is considered to affect the premium if the insurer has had to pay compensation for loss caused by negligence on the part of the vehicle owner, holder or driver or by defective condition of the vehicle.

A claim for which compensation has been paid is not considered to affect the premium if

- the loss was caused when the vehicle had been stolen from the policyholder
- the claim was paid for a loss that occurred within 7 days following the transfer of the insured vehicle's ownership, provided that the loss was not caused by the policyholder or any member of the family living in the same household with the policyholder, or
- the policyholder pays the insurer an amount equalling the paid claim no later than the end of the policy period that follows the payment of the claim.

If a policy's claims history is transferred to another policy and claims are subsequently paid under the former policy after the establishment of the bonus class to be transferred, these claims will affect the bonus class of the latter policy.

9.3.5 Retention and transfer of data

The policyholder has the right to obtain from the insurance company a certificate on their policies' period of validity, vehicles covered and losses on the basis of which compensation has been paid (claims history). However, the insurance company is not under any obligation to issue a certificate on a policy that was terminated more than 5 years earlier.

10 Termination of insurance contract

Policyholders whose obligation to insure has not ended, have the right to terminate the policy of a registered vehicle only if

- the policyholder has taken out a policy from another insurance company
- the vehicle has been entered in the vehicle register as decommissioned, or
- the vehicle has been stolen and this has been reported to the police and the insurance company.

A policyholder may terminate a motor liability insurance when the vehicle which does not have to be entered in the vehicle register is destroyed or if it is no longer used in traffic referred to in the Motor Liability Insurance Act.

Insurance policies must be terminated in writing.

The insurance will also terminate when the Finnish Transport and Communications Agency Traficom, the Finnish Motor Insurers' Centre or another insurance company announce that

- 1) the vehicle has been permanently decommissioned
- 2) the vehicle has been transferred, following a legal action, to a new owner or keeper other than the policyholder's death estate or bankruptcy estate
- 3) the vehicle is transferred back to the owner or to a new keeper if the vehicle keeper has previously been the sole policyholder
- 4) a policy has been taken out from another insurance company.

The policy's validity ends on the date shown in the notification.

However, the insurance compensates losses that occurred within 7 days of the ownership transfer, change of vehicle keeper or return to the owner, unless the new vehicle owner or keeper has taken out a new policy within this period. The Act on the Calculation of Time Limits (150/1930) will be applied to the insurance company's liability for road accidents under the terminated insurance policy.

11 Insurance company's right of recovery

The injured party's right to demand compensation from a third party is transferred to the insurance company after the latter has paid the compensation to the injured party.

If a third party is a private person or an employee, civil servant or similar as specified in chapter 3, section 1 of the Tort Liability Act, or the vehicle's owner, keeper, driver or passenger, this right is nevertheless transferred only if the person has caused the insurance event wilfully or through gross negligence or if the driver has caused the loss under conditions prescribed in section 48, subsection 1 of the Motor Liability Insurance Act.

12 Measures to be taken in a claim situation

Any road accident that may lead to a claim must be reported by the policyholder to the insurer or to the insurer's representative as soon as the policyholder has learned of the accident, using the standard accident report form whenever possible. The policyholder is required to supply the insurance company with any information and documents needed for the processing of the claim.

If damages are claimed from the policyholder or another party involved in the accident, the claim must be forwarded to the insurance company.

13 Deductible

Material damage coverable under motor liability insurance may carry a deductible for each loss, charged from the policyholder after payment of compensation. Personal injuries carry no deductible. The deductible amount is always agreed upon before the policy is granted, and an entry is made in the policy document about it.

14 Processing of information related to claims

We disclose information into a loss register shared by insurance companies about losses that have been reported to the companies. We also when what losses have been reported to other insurance companies. The information will be used only in claims processing to prevent crimes against insurance companies.

15 Use of digital services

If the policyholder has concluded a corporate customer's digital services agreement, the policyholder may attend to insurance matters using OP's digital services, such as the op.fi service. Use of the services is possible to the extent determined by OP. This may include the right to view the details of insurance policies in force or to file loss reports. When the policyholder uses OP's digital services to attend to insurance matters, the general terms and conditions for corporate customer's digital services, which are supplied to the customer when concluding the agreement, shall apply to the insurance, in addition to these insurance terms and conditions.

The insurance company is entitled to send all insurance-related information, such as decisions, messages, notifications, responses, changes and notices of termination, exclusively in electronic form to OP's online and mobile services. The policyholder has the right to receive the aforementioned information by post within reasonable time from the date on which the policyholder informed the insurance company of the wish to receive the information by post. The policyholder and OP will agree separately whether the bill will be sent on paper by post, or electronically. This also applies to notifications related to compensation.

Telephone service for statutory insurance policies

- Motor liability insurance and claims and Occupational accident insurance and claims 0100 5335 Call rate: local network rate / mobile network rate.

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