



General Liability Insurance

Valid as of 1 January 2024

Your company can be held liable for personal injury or property damage. General liability insurance also includes cover for property in possession and cargo liability cover, so these do not usually need to be insured separately. General liability insurance also covers the costs of litigation related to the loss.

What is liability insurance?

Liability insurance is a contract by which the company (= policyholder) transfers part of its liability for damages to an insurance company.

The content of the insurance contract is determined by the policy document, the terms and conditions, and the safety regulations.

The appropriate liability insurance solution is based on the nature and scope of the policyholder's activities.

The following table describes the liability insurance offered by If.

Cover and exclusions

Scope of insurance coverage

General liability insurance covers personal injury and property damage caused by the policyholder or its employee to another person in activities specified in the policy document and discovered during the insurance period within the territorial limits of the insurance, and for which the policyholder is liable according to the valid legislation.

The insurance also covers financial loss as referred to in the EU Data Protection Regulation or the Finnish Personal Data Act on the above-mentioned grounds. Valid legislation primarily refers to the Finnish Tort Liability Act, which serves as the general law for liability, as well as special liability laws. The insurance covers, among other things, damage caused if a client or other external party trips over an obstacle on the floor of the premises or if water leakage occurs due to an incorrect installation.

Main exclusions

General Liability Insurance contains some important exclusions and therefore does not cover all damages caused by the policyholder. General Liability Insurance does not cover, for example:

- Bodily injury or property damage arising due to the wilful misconduct or gross negligence of the policyholder or an insured person other than an employee
- Expenses arising from the correction of incorrect work
- Damage where liability is based solely on a contract, commitment, promise or guarantee. Solely contractual liability means that the parties have agreed to damages in excess of the liability under the valid legislation or that a party has agreed to compensate for damage caused by its subcontractor and for which the subcontractor is liable under the current legislation
- Purely financial loss, i.e. financial loss not associated with personal injury or property damage
- Moisture or flood damage, unless the cause is a sudden and unforeseeable defect or failure in the building or equipment. A further prerequisite is that the damage occurred suddenly, unexpectedly and quickly. The loss must be discovered within 30 days of the onset of the water damage or flooding. If the loss was caused by the policyholder's incorrect assembly technique or defective workmanship, the loss must be discovered within 12 days of the installation or work in question
- Loss caused by damage to property in the possession of or borrowed by the Policyholder or otherwise at the Policyholder's disposal
- Loss caused by damage to property such as a machine, equipment, or part of a building that is being worked on
- Damages not arising from the operations stated in the policy document

This product description applies to general liability insurance.

PRODUCT	FOR WHICH DAMAGES	FOR WHOM
General Liability Insurance	Personal injury and property damage caused by the company's operations	All lines of business
Product Liability Insurance	Personal injuries and property damage caused by products	Importers, producers, manufacturers and B2B vendors
Professional Indemnity Insurance for Technical Consultants	Personal injury, property damage and financial losses resulting from incorrect consultancy	Technical consultants
Professional Indemnity Insurance for Non-technical Consultants	Financial losses resulting from an incorrect assignment	Professional services
Legal Expenses Insurance	Lawyer's fees and legal expenses related to the company's operations	All lines of business
Crime Insurance	Losses incurred by the policyholder or the policyholder's client as a result of the policyholder's property crime	All lines of business, especially trade, and sectors where money or a client's property is handled
Directors' and Officers' Liability Insurance	Financial losses caused to the corporation or a third party for which the insured is liable under applicable law while acting as a member of a governing body	All lines of business
Cyber Insurance	Costs incurred by the policyholder as a result of a data breach; financial losses caused by the interruption of operations; liability for the disclosure of trade secrets	All lines of business
IPR Insurance	Legal expenses and liability related to intellectual rights	All lines of business involving intellectual rights

How to extend your cover

Property in care, custody & control and Transport liability

General Liability Insurance usually automatically includes additional cover for property taken into possession. It covers, with certain exclusions, damage to property or the subject of work taken into possession by the Policyholder and for which the Policyholder is liable. Damage caused to a motorised work machine used for loading and unloading, as well as to temporarily borrowed machinery used in the operations, is also covered. Additional cover for property taken into possession also includes tenant liability. It covers the Policyholder's liability for compensation as a tenant for damage caused to leased real property or premises.

Additional cover for property taken into possession does not cover liability based on storage activities, stevedoring, or the carrier liability set forth in the Finnish Act on Road Transport Agreements, a corresponding foreign law, the CMR Convention or the General Conditions of the Nordic Association of Freight Forwarders, or on the liability set in the General Port Operating Conditions.

However, General Liability Insurance usually includes transport liability cover for such situations, covering the liability for

damages caused to the transported goods. Transport liability cover can cover the Insured's liability arising from

- forwarding and terminal operating activities
- stevedoring
- freight transport by road under the Finnish Act on Road Transport Agreements or the CMR Convention
- storage activities under a warehousing contract.

In forwarding, terminal operating and storage activities, however, compensation is only paid up to the compensation specified in the latest version of the General Conditions of the Nordic Association of Freight Forwarders (NSAB). In stevedoring operations, compensation is only paid up to the compensation specified in the General Port Operating Conditions issued by the Finnish Port Operators Association. This means that no separate cargo liability insurance is needed.

Remote-controlled aircraft

Our good total customers have the option of extending General Liability Insurance with an additional product for liability related to damage caused by remote-controlled aircraft. The insurance meets the requirements of the EU regulation.

Limited guarantee insurance

Depending on the customer, it may be possible to extend General Liability Insurance with limited guarantee insurance. It covers the policyholder's liability for costs arising from misperformance in the operations mentioned in the policy document by the policyholder or a person in the policyholder's employment for which the policyholder is liable according to valid legislation.

Misperformance refers to an error in the work performed which, unless repaired, makes the object useless or causes bodily injury or property damage. Misperformance does not refer to dissatisfaction with the quality of the performance based on the form, appearance or other similar feature of the product.

Validity

The insurance is valid within the territorial limits stated in the policy document. The insurance covers damages discovered during the validity of the insurance. Therefore, it is often advisable to keep the insurance in force even after the operations have ended, if it is likely that damage may be found only after the operations have ceased.

What is compensated and how?

Amount of compensation and the deductible

The insurance covers damage included in the scope of the insurance coverage, up to the sum insured indicated in the policy document. In each insured event, the sum insured is the maximum of the insurance company's liability for compensation, interest, investigation and legal costs, and for reasonable costs associated with preventing an imminent loss.

Costs associated with preventing an imminent loss refer to costs arising from the immediate prevention, combating or limitation of a loss that would otherwise inevitably occur. The policyholder's deductible is deducted from the amount of compensable loss, separately for each insured event. The deductible is agreed on separately at the time of taking out the insurance.

Limitation

The claim report must be submitted to the insurance company without delay, however, within one year from the date on which the policyholder was informed of their possible liability. If the claim is not presented within the time period indicated above, the claimant forfeits their right to compensation.

If will help in resolving the loss and liability

If loss or damage has occurred or claims are brought against the policyholder, it is advisable to contact If immediately. Our company will determine the liability for damages and amount of loss arising from the insured event eligible for compensation, as well as cover costs of any legal proceedings related to the insured event.

Read more
[if.fi/en/
commercial](https://if.fi/en/commercial)

Insurance is a contract

Insurance is based on an insurance contract. When entering into the contract, it is important that you provide accurate and complete information about, for example, the nature and scale of the insured operation. The contract determines the scope of coverage and the amount of the deductible which form the basis of the compensations payable when the damage occurs. The key contents of the contract are laid out in the policy document. You must inform the insurance company promptly of any mistakes or omissions that you notice and that may have a bearing on the policy. The policy is effective indefinitely from the date agreed between the policyholder and the insurance company. The insurance premium invoice must be paid on the due date to the bank account indicated on the invoice. The insurance remains valid if the insurance premium is paid no later than the date due. If the insurance premium has not been paid on the due date, the insurance company can terminate the insurance, effective at the earliest 14 days from the date of dispatch of the notice of termination.

The policyholder can cancel the policy by giving notice of termination in writing. You can cancel your policy at any time. The insurance company also reserves the right to terminate the policy at the end of the insurance period.

CLAIM EXAMPLE

The company performed plumbing work at a daycare centre. An installed pipe joint failed, resulting in a massive water leak that was detected the next day. The daycare centre had been completely renovated before the damage. The operation of the daycare centre could not be continued due to water damage.

The company's General Liability Insurance covered the damages caused to the daycare centre and the losses caused by the interruption of operations.



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