Legal expenses insurance, Premium

General conditions for legal expenses insurance (ARB WRS Premium 1-2025nam)

German law applies, and the German wording alone is binding. The binding text is the German original, available at www.nammert.com/bedingungen.php. This translation is a courtesy so that you can read what you are buying. It is not a contract document. Where the English and the German text differ, the German text decides. The numbering follows the German original clause by clause.

General conditions for legal expenses insurance, Premium (ARB WRS Premium 1-2025nam). Risk carrier: Württembergische Versicherung AG, W&W-Platz 1, 70806 Kornwestheim. Register court: local court of Stuttgart, HRB 14327. VAT ID DE 811128268. Insurance tax number 801/V90801006186.

These conditions are built on the modular principle. Each module covers your need for legal expenses cover in one area of life. The clauses are assigned to the individual types of contract (traffic and renting) by the following letter key. Clauses or sections that apply to all types of contract are assigned A:

- General: A
- Traffic: V
- Renting: M

Premium 1. Purpose of legal expenses insurance (A)

You wish to pursue your legal interests. We provide the services required for that. The scope of our services is described in the application, in the policy schedule and in these insurance conditions.

Premium 2. What legal expenses cover do you have? (A)

You have insured the following areas (contract forms):

- traffic legal expenses cover (V),
- rental and property legal expenses cover (M).

Premium 2.1 Who and what is insured? (A)

For legal reasons we point out the following:

Notwithstanding the other provisions of the contract, cover exists only so far as and for as long as no economic, trade or financial sanctions or embargoes of the European Union or the Federal Republic of Germany directly applicable to the contracting parties stand in the way.

This also applies to economic, trade or financial sanctions or embargoes of the United States of America, so far as legal provisions of the European Union or the Federal Republic of Germany do not stand in the way.

Premium 2.1.1 Insured areas of life (A)

In traffic legal expenses cover (V):

You have cover when you pursue legal interests as

- owner,
- keeper,

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- purchaser,
- lessee or hirer,
- driver

of watersports craft and of motor vehicles with boat trailers attached.

The motor vehicles and watersports craft or boat trailers must either:

- be registered to you at the conclusion of the contract or during the term of the contract, where this is required by law,
- bear an insurance plate in your name (a so called number plate),
- be, in the case of watersports craft not subject to registration, your property, or
- be hired by you for temporary use.

You also have cover on journeys with the insured private watersports craft or motor vehicle with boat trailer attached for the purpose of carrying on a commercial, freelance or other self-employed activity.

You are furthermore insured as the driver of and passenger on other people's or your own watersports craft.

You also have cover when you take part in public waterway traffic, namely

- as a passenger,
- as a swimmer,
- as a watersports participant (for example surfer or jet ski rider).

The following types of cover (2.2) are included in traffic legal expenses cover:

- damages legal expenses cover
- cover in contract and property law
- administrative legal expenses cover in traffic matters
- criminal legal expenses cover
- regulatory offences legal expenses cover
- legal advice by telephone

In rental and property legal expenses cover (M):

You have cover when you use boat parking spaces, boat winter storage spaces, harbour berths or trailer parking spaces or the like, used by you yourself, in the following capacities, as:

- owner,
- tenant,
- other person entitled to use.

If you change the object you use yourself, cover passes to the new object and also includes insured events

- which occur only after you have moved out of the previous object, or
- which relate to the new object and occur before you plan to take it into use or actually take it into use.

The following types of cover (2.2) are included in rental and property legal expenses cover:

- rental and property legal expenses cover
- criminal legal expenses cover
- regulatory offences legal expenses cover

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- legal advice by telephone

Premium 2.1.2 Co-insurance (A)

Co-insured are:

- your spouse or registered civil partner,
- your unmarried or unregistered partner living with you in the same household,
- the minor children of you and of your co-insured partner (including stepchildren, adopted children and foster children),
- the unmarried adult children of you and of your co-insured partner (including stepchildren, adopted children and foster children). The children must not be living in a registered civil partnership. Co-insurance of adult children ends in any event at the point at which they first take up an occupation intended to be permanent and receive an income for it. It also ends when your adult child has completed training and draws social benefits (for example unemployment benefit, “Hartz IV”),

All provisions of this legal expenses contract also apply to these co-insured persons.

If a co-insured person demands cover, you may object. (Why can you object if a co-insured person demands cover? You are our policyholder and may decide, for example, whether we should pay costs for co-insured persons.)

Exception: you cannot object in the case of your spouse or registered civil partner.

Cover also exists for claims to which natural persons are entitled by law where you or a co-insured person have been injured or killed.

(Example: if you are seriously injured in a traffic accident, your next of kin have cover and can use it to assert maintenance claims against the other party to the accident. A “natural person” is a human being, as opposed to a “legal person”; that is, for example, a GmbH, an AG or an association.)

In traffic legal expenses cover the following also applies (V):

Insured are all persons (co-insured persons) in their capacity as authorised driver or authorised passenger of the insured watersports craft (authorised is any person who drives or uses the watersports craft with your consent.)

Premium 2.2 In which areas of law are you insured (types of cover)? (A)

Depending on the insured areas of life (contract forms) agreed, cover comprises the following types of cover:

Premium 2.2.1 Damages legal expenses cover (V, M)

for enforcing your claims for damages.

Such claims for damages must not, however, also be based on a breach of contract or on an infringement of a right in rem in land, buildings or parts of buildings (rights in rem are rights that have effect against everyone and must be respected by everyone, for example ownership).

(This means, for example, that in traffic legal expenses cover we cover claims for damages against the other party because of an accident with your watersports craft, but not claims arising from defective work by a tradesman, such as a boat repair. These can be insured through contract legal expenses cover under 2.2.3.)

Premium 2.2.2 Rental and property legal expenses cover (M)

To pursue your legal interests arising from

- tenancy and lease relationships (for example disputes about a rent increase for the winter storage),
- other rights of use (for example a dispute about a mooring right),
- rights in rem (for example a dispute about the size and the boundaries of the mooring).

Premium 2.2.3 Cover in contract and property law (V)

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To pursue your legal interests arising from obligations under private law and from rights in rem. (An “obligation” exists, for example, between buyer and seller. A dispute about a right in rem may, for example, exist between the owner and the possessor over the return of an item.)

This cover does not apply so far as the matter falls within the following areas:

- damages legal expenses cover,
- rental or property legal expenses cover (for example a dispute arising from your tenancy, or where you are affected as the owner or possessor of a boat parking space, boat winter storage space, harbour berth or trailer parking space or the like).

For traffic legal expenses cover the following also applies (V):

Cover also exists for contracts by which you wish to acquire watersports craft and boat trailers for your own use, even if they are later not registered to you.

Premium 2.2.4 Administrative legal expenses cover in traffic matters (V, M)

to pursue your legal interests in traffic law matters before administrative authorities and administrative courts.

Premium 2.2.5 Criminal legal expenses cover (V, M)

for your defence where you are accused of a criminal misdemeanour. (Misdemeanours are criminal offences carrying a minimum penalty of imprisonment of less than one year or a fine.)

You have cover under the following conditions:

- The misdemeanour is punishable by law when committed intentionally and when committed negligently, and
- you are accused of negligent conduct.

If, however, you are accused of intentional conduct, you initially receive no legal expenses cover. If you are not convicted of intentional conduct, you receive cover retroactively. If during the proceedings the accusation changes to negligent conduct, cover exists from that point.

You therefore have no cover in the following cases:

- You are accused of a felony (for example perjury, robbery).
- You are accused of a misdemeanour that can only be committed intentionally (for example insult, theft, dangerous bodily harm). It makes no difference whether the accusation is justified or how the criminal proceedings end.

For traffic legal expenses cover the following applies by way of derogation (V):

If you are accused of a traffic law misdemeanour, that is, a misdemeanour connected with waterway traffic, you receive cover.

Exception: a court finds with final effect that you committed the misdemeanour intentionally. You are then obliged to reimburse us the costs incurred.

You have no cover if you are accused of a felony. (A felony is a criminal offence carrying a minimum penalty of imprisonment of one year.)

Premium 2.2.6 Regulatory offences legal expenses cover (V, M)

for your defence where you are accused of a regulatory offence. (Example: you cause impermissible noise).

Premium 2.2.7 Legal advice by telephone (A)

for initial advice or initial information by telephone from a lawyer admitted in Germany, arranged by us or by a service provider engaged by us, in all legal matters, including in areas of law that are not insured or not insurable. German law must be applicable.

Premium 2.3 Scope of benefits (A)

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We provide and arrange services so that you can pursue your interests to the extent explained below.

In each insured event we pay at most the sum insured agreed in our contract. By way of derogation, an unlimited sum insured applies to the type of cover damages legal expenses cover.

We add together payments for you yourself and for co-insured persons in the same insured event. This also applies to payments on the basis of several insured events that are connected in time and cause.

Premium 2.3.1 Scope of benefits in Germany (A)

2.3.1.1 To enable you to settle a conflict by agreement, we bear the reasonable costs of a mediator proposed by us, up to 10,000 euros per mediation.

(Mediation is a confidential and structured procedure in which parties, with the help of a mediator, voluntarily and on their own responsibility seek to settle their conflict by agreement.)

The mediation may take place with the parties present, by telephone or online.

If persons who are not insured take part in the mediation, we bear the share of the costs attributable to you and to co-insured persons (example: you and your spouse have a conflict with a third party. The mediator's costs are shared equally between the parties. We bear the costs attributable to you and your spouse. The third party must pay their share of the costs, that is 50 per cent, themselves).

We are not responsible for the mediator's work.

The exclusions of risk under clause 3.2 do not apply.

2.3.1.2 The remuneration of a lawyer who represents your interests (if you instruct more than one lawyer, we do not bear the additional costs arising as a result. Nor do we bear additional costs resulting from a change of lawyer).

We reimburse at most the statutory remuneration of a lawyer who is or would be resident at the place of the competent court. The statutory remuneration is governed by the German Lawyers' Remuneration Act (RVG).

We also bear the travel costs and absence allowances for a visit to you by the lawyer acting for you, up to a distance of 100 kilometres, where the visit is necessary because of special circumstances (mobile lawyer: for example in case of illness, accident, being indispensable at your company). We reimburse the travel costs and absence allowances up to the rates applicable to business trips of German lawyers.

Do you live more than 100 km in a straight line from the competent court? Then we bear further lawyer's costs, namely up to the statutory remuneration of a lawyer who merely conducts the correspondence with the lawyer at the place of the competent court (a so called correspondence lawyer). Alternatively, we bear travel costs and absence allowances of the lawyer acting for you up to the same amount.

This applies only to the first instance.

Exception: in criminal legal expenses cover and regulatory offences legal expenses cover we do not bear these further costs.

Do you live more than 50 kilometres in a straight line from the competent court? Then in your court dispute we additionally bear the necessary travel costs actually incurred to the competent court, where you must appear there as the accused or as a party. The costs are borne up to the rates applicable to business trips of German lawyers.

2.3.1.3 For traffic legal expenses cover the following applies (V):

We bear your costs for an expert where the following conditions are met:

The expert has the necessary technical expertise. Experts count as technically qualified if they have been appointed by a state or state recognised body or certified by a body accredited under the DIN/ISO standards applicable at the time.

The assumption of costs applies in the following cases:

- In cases of defence in traffic law criminal proceedings and regulatory offence proceedings.

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- Where you pursue your legal interests arising from purchase and repair contracts for watersports craft and boat trailers.

Premium 2.3.2 Scope of benefits abroad (A)

2.3.2.1 In the case of an insured event abroad, we bear the costs of a lawyer who acts for you at the competent court abroad. This may be either:

- a foreign lawyer resident at the place of the competent court, or
- a lawyer in Germany.

We remunerate the lawyer in Germany as though the legal dispute were taking place at the location of their law office in Germany. This remuneration is limited to the statutory remuneration.

Is a foreign lawyer acting for you and do you live more than 100 km in a straight line from the competent court (abroad)? Then we additionally bear the costs of a lawyer at your place of residence. We then pay this lawyer up to the statutory remuneration of a lawyer who conducts the correspondence with the lawyer at the place of the competent court (a so called correspondence lawyer).

This applies only to the first instance.

Where the lawyer's work is limited to the following services, we bear, unless otherwise agreed in these conditions, costs of at most 250 euros plus VAT per insured event:

- your lawyer gives you oral or written advice,
- gives you information, or
- prepares an opinion for you.

For traffic legal expenses cover the following applies (V):

Do you have an insured event that occurred because of a traffic accident elsewhere in Europe outside Germany, and do you have claims arising from it? Then a settlement must first be attempted with the claims representative or with the compensation body in Germany. Only once this settlement has been unsuccessful do we also bear costs for legal action abroad.

We bear the additional costs of the settlement in Germany within the statutory fees, namely up to a 1.5 fee under section 13 of the German Lawyers' Remuneration Act (RVG) for the lawyer's entire work.

2.3.2.2 For traffic legal expenses cover the following applies (V):

We bear the usual remuneration of an expert resident abroad. We do this where you wish to assert claims for compensation because of damage to a watercraft or a boat trailer that occurred abroad.

2.3.2.3 We bear your costs for a journey to a foreign court (A) where:

- you must appear there as the accused or as a party to the proceedings, and
- you can avoid legal disadvantages only by appearing in person.

We bear the costs actually incurred up to the rates applicable to business trips of German lawyers.

2.3.2.4 We arrange for the translation of documents and for the appointment of an interpreter where this is necessary to pursue your legal interests abroad. We also bear the costs incurred for the translation or for the interpreter's work.

2.3.2.5 All provisions concerning the lawyer also apply to authorised representatives resident there who are qualified in law and in the subject matter.

2.3.2.6 If you have paid these costs in a foreign currency, we reimburse them to you in euros. As the basis for the settlement we use the exchange rate of the day on which you advanced the costs.

Premium 2.3.3 In addition, we provide the following in Germany and abroad:

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2.3.3.1 We bear

- the court costs, including compensation for witnesses and experts called by the court,
- the bailiff's costs,
- the costs of proceedings before administrative authorities that the authority invoices to you, including compensation for witnesses and experts called by the administrative authority, and the costs of enforcement by administrative means.

2.3.3.2 We bear the fees of arbitration or conciliation proceedings, namely up to the fees that would arise if a competent state court of first instance were called upon.

2.3.3.3 We bear the lawyer's costs and court costs of your opponent in the proceedings where you are obliged to reimburse these costs of proceedings on the basis of a court order.

2.3.3.4 We bear the costs of a sign language interpreter where this is necessary to pursue your legal interests.

2.3.3.5 We reimburse the costs to be borne by us when you prove that you

- are obliged to pay them, or
- have already paid these costs.

2.3.3.6 To spare you temporarily from measures of criminal prosecution, we pay a bail deposit for you, where necessary. This takes the form of an interest free loan of up to 200,000 euros.

In the area of private water traffic, a security deposit required by law is also provided as part of the bail benefit, so far as it exceeds an amount of 1,000 euros to be borne by the policyholder themselves.

2.3.3.7 We bear the costs of the insured proceedings to be borne by you, including proceedings for the enforcement of sentences.

Premium 2.4 Conditions for entitlement to cover

You are entitled to cover when an insured event has occurred.

You have this entitlement, however, only if the insured event occurred after the start of cover and before its end.

The insured event is:

2.4.1 In damages legal expenses cover, the first event in which the loss occurred or is alleged to have occurred.

2.4.2 In criminal legal expenses cover and in regulatory offences legal expenses cover, the point in time at which the alleged act was committed or is alleged to have been committed.

2.4.3 Unless otherwise provided, the point in time at which you or another person (for example the opponent or a third party) breached or is alleged to have breached legal duties or legal provisions.

2.4.4 If your insured event extends over a period of time, its beginning is decisive.

2.4.5 If several insured events are the cause of your entitlement to cover, the first is decisive. If this first insured event occurs within the term of the contract, you receive cover. If this first insured event occurred before the start of the contract, you are not entitled to cover.

In your favour, insured events that occurred more than one year before the start of cover are disregarded.

Premium 3. What is not insured? (A)

Premium 3.1 Exclusions in time

3.1.1 You have no cover if an insured event occurred within the waiting period.

In the following types of cover, a waiting period of three months after inception of the insurance applies:

- rental and property legal expenses cover

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The waiting period does not apply if a similar contract existed with another company for the same risk and the new contractual relationship follows on from the end of the previous contract without a gap. This also applies if you were co-insured under a contract of your parents or of your spouse, registered civil partner or other partner.

3.1.2 In the following cases you likewise have no cover:

3.1.2.1 The insured event does lie after the start of cover. It was, however, preceded by your having, before inception of the insurance,

- made an application to an authority (example: accident report to an employers' liability insurance association, reissue of a driving licence),
- made an application for benefits under another insurance contract (example: claim to an occupational disability pension or an accident disability benefit),
- exercised a right of cancellation, and the insured event is connected with the termination of the cancelled contract (example: you gave notice on a tenancy and after inception of the insurance there is a dispute about the deposit or cosmetic repairs).

In your favour, applications and cancellations made or exercised more than one year before the start of cover are disregarded.

3.1.2.2 You report an insured event to us but at that time have no longer been insured with us for the area concerned for more than three years.

Premium 3.2 Exclusions of content

In the following cases you have no cover:

3.2.1 Any pursuit of interests causally connected with

- war, hostile acts, riot, civil commotion, strike, lockout or earthquake,
- nuclear damage and genetic damage. This exclusion does not apply to damage arising from medical treatment,
- damage to health and damage to land, buildings or parts of buildings caused by fracking or by emissions caused by this process,
- mining damage and impairments caused by mining related emissions (these are effects such as vibrations) on land, buildings or parts of buildings.

3.2.2 Any pursuit of interests causally connected with

- the purchase or sale of a plot of land that is to be built on,
- the purchase or sale of a building or part of a building that you or co-insured persons do not use yourselves for residential purposes,
- the planning or construction of a building or part of a building that is in your ownership or possession or that you wish to acquire or take possession of,
- a structural alteration of a plot of land, building or part of a building that requires a permit or notification. This plot of land, building or part of a building is in your ownership or possession, or you wish to acquire it or take possession of it.

You also have no cover for the financing of any of the projects named under 3.2.2.

3.2.3 You wish to defend against claims for damages. (Example: you have a traffic accident and the other party wants damages from you. This is not insured under legal expenses insurance but under liability insurance.)

Exception: the claim for damages is based on a breach of contract. (Example: the lessor of the hired watercraft demands damages because of late return. This is insured on the basis of the hire contract under contract legal expenses cover.)

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3.2.4 Disputes arising from collective labour or service law (for example co-determination rights in companies and establishments).

3.2.5 Disputes arising from the law of commercial partnerships and companies or from the employment relationships of legal representatives of legal persons (for example managing directors of a GmbH or board members of a public limited company).

3.2.6 Disputes causally connected with patent rights, copyright, trade mark rights, registered design or utility model rights or other intellectual property rights.

3.2.7 Disputes arising from cartel law or other competition law.

3.2.8 Disputes causally connected with the acquisition, disposal, management and financing of capital investments.

Excepted from this are:

- goods for your own use or consumption

3.2.9 Disputes causally connected with

- the granting of loans,
- gaming or betting contracts,
- prize notifications.

3.2.10 Disputes in the area of family law, civil partnership law and inheritance law.

3.2.11 You wish to take action against us or against our claims handling company.

3.2.12 Disputes about

- the tax valuation of land, buildings or parts of buildings,
- development charges and other charges on adjoining owners.

Exception:

- The matter concerns recurring charges levied for supplying the land with utilities.

3.2.13 Disputes causally connected with deleted content on social media and on online platforms of which you are or are alleged to be the author.

3.2.14 You pursue your legal interests

- before constitutional courts, or
- before international or supranational courts (for example the European Court of Justice).

3.2.15 Any pursuit of interests causally connected with insolvency proceedings that have been opened or are to be opened over your assets (for example: compulsory auction of the watersports craft following your application for insolvency).

3.2.16 Disputes

- in expropriation, planning approval and land consolidation matters,
- in matters governed by the German Federal Building Code (Baugesetzbuch).

3.2.17 Regulatory offence or administrative proceedings are conducted against you because of a stopping or parking offence.

Exception: this does not apply to a stopping or parking offence committed in Germany where the German Fines Catalogue Ordinance (BKatV) provides for the entry of points in the Central Traffic Register for it.

3.2.18 There are disputes

- between you and other policyholders of the same insurance contract,

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- brought by co-insured persons against you,
- between co-insured persons.

3.2.19 Disputes between other partners (unmarried and unregistered partners of whatever sex) where these disputes are causally connected with the partnership. This also applies if the partnership has ended.

3.2.20 Claims or liabilities are transferred to you or have passed to you after an insured event has already occurred. (Example: your work colleague has a traffic accident and transfers his claims for damages to you. You wish to assert these against the other party to the accident. This is not insured.)

3.2.21 You wish to assert the claims of another person (example: you have a friend's claims for damages against a third party assigned to you in order to assert them. This is not insured.) or you are to answer for the liabilities of another person. (Example: your work colleague buys a watercraft. You stand surety for the loan contract with the boat seller. Disputes arising from the surety contract are not insured.)

3.2.22 In the areas of law under 2.2.1, 2.2.2, 2.2.3 and 2.2.4 there is a causal connection with a criminal offence committed intentionally by you or by a co-insured person.

If this only becomes known later, you are obliged to repay the benefits we have provided.

3.2.23 Any pursuit of interests causally connected with a planned or exercised commercial, freelance or other self-employed activity.

Exceptions:

- in traffic legal expenses cover you have cover on journeys with the insured private watersports craft and motor vehicle with boat trailer attached for the purpose of carrying on a commercial, freelance or other self-employed activity.

3.2.24 You wish to pursue interests in connection with the acquisition or disposal of part use rights (timesharing) in:

- land,
- buildings,
- parts of buildings.

3.2.25 Disputes in proceedings in the area of asylum, aliens and migration law, and in the area of the law on securing a livelihood.

3.2.26 Disputes in proceedings on the allocation of university places.

3.2.27 Disputes in administrative proceedings in connection with the granting or refusal of a subsidy in the commercial sphere.

Premium 3.3 Limitation of our obligation to pay

We cannot reimburse the following costs:

3.3.1 Costs that you have assumed without being legally obliged to do so.

3.3.2 Costs incurred in an amicable settlement that do not correspond to the ratio of the result you sought to the result achieved. (Example: you demand damages of 10,000 euros. In a settlement with the opponent you obtain an amount of 8,000 euros, that is 80 per cent of the result sought. In this case we bear 20 per cent of the costs incurred, namely for the part you were unable to enforce.) This relates to the entire costs of the dispute.

Exception: a different allocation of costs is prescribed by law.

3.3.3 You also reach agreement on undisputed or uninsured claims. In this case we do not pay the costs attributable to them.

(The German original has no clause 3.3.4; it moves directly from 3.3.3 to 3.3.5.)

3.3.5 Costs of enforcement measures (for example: costs of a bailiff)

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- that arise from the fourth or any further enforcement measure per enforceable title,
- that are initiated later than five years after the enforceable title became final (“enforceable titles” are, for example, an enforcement order and a judgment).

3.3.6 Costs of proceedings for the enforcement of sentences of any kind in which the court imposed a fine or a regulatory fine of less than 250 euros.

3.3.7 Costs that another party would be obliged to bear if the legal expenses insurance contract did not exist.

Premium 3.4 Refusal of cover for lack of prospects of success or for wilfulness / binding opinion procedure (Stichentscheid)

3.4.1 We may refuse cover if in our view

3.4.1.1 the pursuit of your legal interests under 2.2.1, 2.2.2, 2.2.3 and 2.2.4 has no sufficient prospect of success, or

3.4.1.2 you wish to pursue your legal interests wantonly. Wilfulness exists where the costs likely to be incurred are grossly disproportionate to the success sought. In this case we cannot pay, because the legitimate interests of the community of insured persons would be impaired.

In both of these cases we must notify you of the refusal in writing without delay, stating our reasons. (“Without delay” does not necessarily mean “immediately”, but “without culpable hesitation, that is, as quickly as reasonably possible”.)

3.4.2 What happens if we refuse an obligation to pay under 3.4.1 and you do not agree?

In this case you may ask the lawyer acting for you, or still to be instructed, to give a reasoned opinion on the following questions:

- Is there a sufficient prospect of success, and
- is the enforcement of your legal interests in reasonable proportion to the success sought?

We bear the costs of this opinion.

The lawyer's decision is binding on you and on us unless it obviously deviates considerably from the actual factual or legal position.

3.4.3 So that the lawyer can give the opinion, you must inform them fully and truthfully about the facts. You must also state the evidence. If you do not comply with these obligations, your cover lapses.

Premium 4. What must you observe? (A)

Premium 4.1 Conduct in the insured event / fulfilment of obligations

Obligations are all the rules of conduct that you and the insured persons must observe in order to retain the entitlement to cover.

4.1.1 What must you do when an insured event occurs and you need cover?

4.1.1.1 You must notify us of the insured event without delay, by telephone if need be. (“Without delay” does not necessarily mean “immediately”, but “without culpable hesitation, that is, as quickly as reasonably possible”.)

4.1.1.2 You must

- inform us fully and truthfully about all circumstances of the insured event, and
- state all evidence, and
- make documents available to us on request.

4.1.1.3 You must, where possible, agree measures that incur costs with us, so far as that is reasonable for you. (Examples of measures that incur costs: instructing a lawyer, bringing an action or lodging an appeal)

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4.1.1.4 When the insured event occurs you must, where possible, take care to avert and mitigate the loss, see section 82 of the German Insurance Contract Act (VVG).

4.1.2 We confirm to you the scope of cover that exists for the specific insured event.

If, however, you take measures to enforce your legal interests

- before we have confirmed the scope of cover, and
- do such measures give rise to costs?

Then we bear only the costs we would have had to bear had we confirmed cover before these measures were initiated.

4.1.3 You may choose the lawyer.

We choose the lawyer

- if you request this, or
- if you do not name a lawyer and the immediate instruction of a lawyer appears necessary to us.

If we choose the lawyer, we instruct them in your name. We are not responsible for the lawyer's work.

4.1.4 After instructing the lawyer you must do the following:

inform your lawyer

- fully and truthfully,
- state the evidence,
- give the information possible,
- obtain the necessary documents, and

give us information on the status of your matter on request.

4.1.5 If you intentionally breach one of the obligations named in 4.1.1 and 4.1.4, you lose your cover.

In the case of a grossly negligent breach of an obligation we are entitled to reduce our payment in proportion to the severity of your fault. (Example of “grossly negligent conduct”: someone breaches the required care to an unusually high degree.)

If you breach an obligation to provide information or to clarify after the insured event has occurred, this too can lead to the complete or partial loss of cover. This presupposes, however, that we have previously informed you of these duties by separate notice in text form (example: letter or email).

Cover remains in place if you prove that you did not breach the obligations through gross negligence.

Cover also remains in place in the following case:

You prove that the breach of obligation was not the cause

- of the occurrence of the insured event,
- of the establishment of the insured event, or
- of the establishment or extent of our payment (for example: you did not agree the lodging of the appeal with us. On subsequent examination, however, we would have confirmed the assumption of costs even if it had been agreed in good time.)

Cover does not remain in place if you breached your obligation fraudulently.

4.1.6 You may assign your claims to insurance benefits only with our consent. (“Assign” means: you transfer your claims to insurance benefits that you have against us to your lawyer or to another person.) Our consent requires text form.

German law applies to the contract. The German wording of the conditions alone is binding; this translation is provided for understanding only.

Exception: the requirement of consent does not apply where you have claims against us for payment of money (for example: you have exceptionally paid a court costs invoice in advance.).

Where we are to release you from cost invoices not yet paid, there is no claim for payment of money.

4.1.7 If another person (for example: your opponent in the proceedings) must reimburse you costs of legal action, this claim passes to us. But only if we have already paid the costs.

You must hand over to us the documents we need to enforce this claim. You must also cooperate in enforcing the claim if we so request.

If you breach this duty intentionally and we therefore do not obtain reimbursement of these costs from the others, we need not reimburse any further costs beyond the costs already paid. If you acted with gross negligence, we are entitled to reduce the costs in proportion to the severity of your fault. You must prove that you did not act with gross negligence. (Example of “grossly negligent conduct”: someone breaches the care required in ordinary dealings to an unusually high degree).

4.1.8 Has another person (for example: your opponent in the proceedings) reimbursed you costs of legal action that we had previously paid? Then you must repay these costs to us.

Premium 4.2 Further special rules of conduct / obligations in traffic legal expenses cover (V)

If we are to take on an insured event for you, the following conditions must be met:

- The driver must hold the prescribed licence when the insured event occurs.
- The driver must be authorised to drive the craft.
- The watersports craft must, where required by law, be registered, and the boat trailer must bear an insurance plate (a so called number plate).

What happens if these conditions are breached?

Then cover exists only for those insured persons who knew nothing of this breach. That means the persons acted without fault or with no more than slight negligence. If the breach was grossly negligent, we are entitled to reduce our payment in proportion to the severity of the fault. (Example of “grossly negligent conduct”: someone breaches the generally customary care to an unusually high degree.)

If the insured person proves that their lack of knowledge was not grossly negligent, cover remains in place.

Cover also remains in place in the following cases:

The insured person or the driver proves that the breach was not the cause of

- the occurrence of the insured event,
- the establishment of the insured event, or
- the extent of the payment to be made by us.

Premium 5. In which countries are you insured? (A)

Premium 5.1 Here you have cover

You have cover where a court or authority in the following territories has or would have legal jurisdiction and you pursue your legal interests there:

- in Europe,
- in the states bordering the Mediterranean,
- in the Canary Islands,
- in the Azores,

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- on Madeira.

Exception: in administrative legal expenses cover, cover exists exclusively where a German court or a German authority has jurisdiction.

Premium 5.2 Here you have cover with restrictions

For the pursuit of your legal interests outside the territorial scope under 5.1 we bear the costs up to a maximum of 200,000 euros.

We do so under the following conditions:

- your insured event must have occurred there during a stay of no more than 24 months,
- cover must not be limited to German courts (see exceptions to clause A 5.1),
- you are not pursuing interests in connection with the acquisition or disposal of rights in rem,
- you are not pursuing interests in connection with contracts under the law of obligations arising from a commercial, freelance or other self-employed activity.

Premium 6. Guarantee of improved benefits (A)

If the legal expenses conditions on which this tariff is based in new business are changed exclusively to your advantage and without an additional premium, the new conditions also apply to this contract with immediate effect.

Premium 7. When does your legal expenses insurance begin and end? (A)

Premium 7.1 Start of cover

Cover begins at the time stated in the policy schedule. The condition for cover is that you pay the first or single premium without delay after the expiry of 14 days from receipt of the policy schedule (see 8.4.1).

An agreed waiting period remains unaffected (that means: it applies in any event).

Premium 7.2 Duration and end of the contract

Premium 7.2.1 Contract duration

The contract is concluded for the period stated in the policy schedule.

Premium 7.2.2 Tacit renewal

Where the contract duration is at least one year, the contract renews for one year at a time. It does not renew if one of the contracting parties has received a cancellation in good time before the end of the current contract term.

7.2.2.1 You may cancel the contract on any day. This also applies in the first insurance year. Your cancellation takes effect only if we have received it in text form (for example email, fax or letter).

7.2.2.2 We may cancel the contract with effect from the end of each insurance year, but at the earliest as at the agreed expiry, giving three months' notice. Our cancellation takes effect only if you have received it no later than three months before the cancellation date.

Premium 7.2.3 Termination of the contract

Where the contract duration is less than one year, the contract ends at the intended time without the need for cancellation.

Where the contract duration is more than three years, you may nevertheless cancel the contract on any day, including in the first insurance year.

7.2.4 Is cover no longer needed because the external circumstances have changed? (Example: you tell us that you no longer have a motorboat.) Then the following applies (unless otherwise agreed):

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7.2.4.1 The contract ends as soon as we have learned that the external circumstances have changed. We are entitled to premiums only pro rata up to that point.

7.2.4.2 Cover continues beyond your death until the end of the insurance period. This applies if the premium had been paid on the day of death and the insurance has not ended for other reasons. If the next premium due is paid, cover remains in place.

Whoever paid the premium, or on whose behalf it was paid, becomes the policyholder in place of the deceased. That person may demand within one year of the day of death that the insurance contract be terminated with effect from the day of death.

Premium 7.2.5 Cancellation after an insured event

7.2.5.1 If we refuse your cover although we are obliged to pay, you may cancel the contract early. We must receive the cancellation within one month after you have received our refusal.

7.2.5.2 Have at least two insured events occurred within twelve months, and does cover exist for them? In this case both you and we may cancel the contract early.

When must you or we cancel? We or you must receive the cancellation within one month after we have confirmed our obligation to pay for the second insured event. The cancellation must be made in text form (example: letter or email).

If you cancel, your cancellation takes effect as soon as we receive it. You may, however, specify that the cancellation is to take effect at a later time, but no later than the end of the insurance year. Our cancellation takes effect one month after you have received it.

Premium 8. When and how must you pay your premium? (A)

Premium 8.1 Payment of premium

Depending on what has been agreed, you may pay the premiums monthly, quarterly, half yearly or annually. The insurance period accordingly covers

- one month for monthly premiums,
- one quarter for quarterly premiums,
- one half year for half yearly premiums, and
- one year for annual premiums.

Premium 8.2 Insurance year

The insurance year lasts twelve months in principle. If, however, the agreed contract duration does not consist of whole years, the first insurance year is shortened accordingly. The following insurance years up to the agreed expiry of the contract are each whole years. (Example: with a contract duration of 15 months, the first insurance year is 3 months, the following insurance year 12 months.)

Premium 8.3 Insurance tax

The insurance premium includes the insurance tax, which you must pay at the rate determined by law at the time.

Premium 8.4 Payment and consequences of late payment / first premium

Premium 8.4.1 Due date of payment

When you receive the policy schedule from us, you must pay the first premium without delay after the expiry of 14 days. (“Without delay” does not necessarily mean “immediately”, but “without culpable hesitation, that is, as quickly as reasonably possible”.)

Premium 8.4.2 Later start of cover

German law applies to the contract. The German wording of the conditions alone is binding; this translation is provided for understanding only.

If you pay the first premium at a later time, cover begins only from that later time. We must, however, have drawn your attention to this consequence of late payment, in text form (example: letter or email) or by a conspicuous notice in the policy schedule.

If you prove to us that you were not responsible for the late payment, cover begins at the agreed time.

Premium 8.4.3 Rescission

If you do not pay the first premium on time, we may rescind the contract for as long as the premium has not been paid. We cannot rescind if you prove that you were not responsible for the late payment.

Premium 8.5 Payment and consequences of late payment / subsequent premium

8.5.1 The subsequent premiums fall due at the time agreed in each case.

Premium 8.5.2 Default

If you do not pay a subsequent premium on time, you fall into default even without having received a reminder from us. We are then entitled to demand compensation for the loss caused to us by the default (see 8.5.3).

You do not fall into default if you were not responsible for the late payment.

Premium 8.5.3 Request for payment

If you do not pay a subsequent premium on time, we may grant you a payment deadline. This is done in text form (example: letter or email) and at your cost. This payment deadline must be at least two weeks.

Our request for payment is effective only if it contains the following information:

- The outstanding amounts, the interest and the costs must be itemised individually, and
- the legal consequences associated with exceeding the deadline under 8.5.4 must be stated.

Premium 8.5.4 What legal consequences does exceeding the deadline have?

- Loss of cover
  If you have still not paid after the payment deadline has expired, you have no cover from that time until payment. However, we must have pointed out the loss of cover to you in our request for payment under 8.5.3.
- Cancellation of the insurance contract
  If you have still not paid after the payment deadline has expired, we may cancel the contract without notice. However, we must have pointed out the possibility of cancellation without notice to you in our request for payment under 8.5.3.
  If we have cancelled your contract and you then pay the amount demanded within one month, the contract continues. In that case, however, you have no cover for insured events that occurred between the expiry of the payment deadline and your payment.

Premium 8.6 Timely payment under a SEPA direct debit mandate

8.6.1 Where we have agreed to collect the premium from an account, payment counts as timely if

- the premium can be collected on the due date, and
- you do not object to the collection.

What happens if the premium due cannot be collected through no fault of yours? In this case payment is still timely if you pay without delay after a request in text form (example: letter or email). (“Without delay” does not necessarily mean “immediately”, but “without culpable hesitation, that is, as quickly as reasonably possible”.)

Premium 8.6.2 Ending the direct debit procedure

If you are responsible for the premium due not being collectable, we are entitled to demand another method of payment in future. You need only pay, however, once we have requested you to do so in text form (example: letter

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or email).

Premium 8.7 Premium on early termination of the contract

In this case we are entitled only to the part of the premium corresponding to the period of cover. This applies unless otherwise provided.

Premium 8.8 Premium adjustment

Premium 8.8.1 Why do we adjust the premium?

The premiums are your consideration for our promise of benefits. We need the premiums so that we can fulfil our obligations to pay in all insured loss cases. We therefore check annually whether the premium must be adjusted because of a change in the claims requirement.

Determining the change value (see 8.8.2) may result in the premium being increased or reduced or remaining at its previous level.

Premium 8.8.2 Determining the change value as the basis for the premium adjustment

The change value determined is decisive for the question whether the premium remains at its previous level.

8.8.2.1 Statistical determination by an independent trustee. An independent trustee determines a change value for the premium adjustment by 1 July of each year. In doing so, the trustee bases the determination on the data of as large a number as possible of companies offering legal expenses insurance, so that the value determined reflects the entire legal expenses insurance market as well as possible.

The determination of the change value is based on the following question (calculation method):

By what percentage has the requirement for payments (that is, the product of claims frequency and average claims payment) increased or decreased in the last calendar year compared with the calendar year before last (reference years)?

(The claims frequency of a calendar year is the number of insured events reported in that year divided by the number of risks insured on average over the year. In other words: the claims frequency indicates for what percentage of the insured contracts a claim has been reported. To calculate the average claims payment of a calendar year, all insured events settled in that year are considered. The sum of the total payments made for these insured events is divided by their number.)

Changes resulting from improvements in benefits (for example: the inclusion of a new type of cover) are taken into account by the trustee only if the improvements in benefits formed part of the benefits in both comparison years.

The trustee determines the change value separately for the following contract groups:

- traffic legal expenses cover,
- rental and property legal expenses cover,

Within each contract group, the change value is determined separately for contracts with and without a deductible. The change values so determined apply uniformly to all contracts with or without a deductible combined in the group.

The trustee rounds a change value not divisible by 2.5 down to the next lower positive number divisible by 2.5 (for example, 8.4 per cent is rounded down to 7.5 per cent) or up to the next higher negative number divisible by 2.5 (for example, minus 8.4 per cent is rounded up to minus 7.5 per cent). Change values in the range from minus 5 per cent to plus 5 per cent are not rounded.

8.8.2.2 Determination on the basis of our own company figures. On the basis of our own company figures, we determine the change value individual to our company by 1 July of each year. In doing so we apply the rules applicable to the determination by the independent trustee (see 8.8.2.1) accordingly.

Premium 8.8.3 Which change value is decisive for adjusting the premium?

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Principle: for the premium adjustment (increase or reduction), the change value determined by the independent trustee is decisive in principle (see 8.8.2.1).

Exception: we compare our company specific change value with the value determined by the trustee under 8.8.2.1. Our company specific value is decisive for the premium adjustment if this comparison shows

- that our value is below the value determined by the trustee, and
- that this was also the case in the last two calendar years in which a premium adjustment was permissible.

The calendar years to be considered need not necessarily follow one another directly.

Premium 8.8.4 No premium adjustment

No premium adjustment is made if the change value determined by the independent trustee (see 7.8.2.1) is less than plus 5 per cent and greater than minus 5 per cent. *(The German original refers to 7.8.2.1 here; there is no such clause, the trustee's determination is set out in 8.8.2.1.)* This change value is taken into account when determining the conditions for the next premium adjustment (this is done by retaining the reference year until the 5 per cent threshold is reached. The requirement for payments of the respective previous year is always compared with the requirement for payments of the "retained" reference year.)

Irrespective of the amount of the change value, no premium adjustment is made for contracts where 12 months have not yet elapsed since inception of the insurance.

Premium 8.8.5 Increase or reduction of the premium

If the decisive change value is plus 5 per cent or more, we are entitled to increase the premium accordingly. The adjusted premium must not be higher than the tariff premium applicable to new contracts. If the decisive change value is minus 5 per cent or less, we are obliged to reduce the premium accordingly.

Premium 8.8.6 When does the premium adjustment take effect?

The premium adjustment takes effect at the beginning of the second month following our notice of the premium adjustment. It applies to all premiums falling due after our notice from 1 October inclusive.

In the notice we point out your extraordinary right of cancellation to you (see 8.8.7).

Premium 8.8.7 Your extraordinary right of cancellation

If the premium increases, you may cancel the insurance contract with immediate effect. You may cancel, however, at the earliest as at the time at which the premium increase takes effect (see 8.8.5). *(The German original refers to 8.8.5 here; the time at which the adjustment takes effect is set out in 8.8.6.)* We must receive your cancellation within one month after you have received our notice of the premium adjustment.

If the premium increases solely because of an increase in insurance tax, you have no right of extraordinary cancellation.

Premium 8.9 Change in material circumstances of the premium calculation

8.9.1 If after conclusion of the contract a circumstance arises that justifies a higher insurance premium than the one agreed, we may demand this higher premium from then on. For with it we cover a higher risk (example: you have insured a motor yacht with us and now additionally acquire a jet ski.). If we cannot insure this higher risk even for a higher premium, we must exclude cover against this risk.

In the following cases you may cancel the insurance contract:

- your premium increases by more than 10 per cent, or
- we refuse to cover the higher risk.

In these cases you may cancel the contract without notice within one month after you have received our notice. In our notice we must point out your right of cancellation to you.

After we have learned of the increase in risk, we must exercise our right to change the premium within one month.

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8.9.2 If after conclusion of the contract a circumstance arises that justifies a lower insurance premium than the one agreed, we may from then on demand only this lower premium. You must notify us of this circumstance within two months. If you inform us after two months have expired, your insurance premium is reduced only from the time at which you informed us.

8.9.3 If we ask you to provide us with the details required to calculate the premium, you must send them to us within one month. If you do not comply with this obligation, we may cancel the insurance contract giving one month's notice, unless you prove to us that you acted neither intentionally nor with gross negligence. (Example of “grossly negligent conduct”: someone breaches the care required in ordinary dealings to an unusually high degree.)

In the following cases you have no cover:

- You intentionally give false details within the deadline.
- You intentionally fail to give required details.
- The insured event occurs later than one month after the time at which you should have informed us of the increase in risk. Your cover does not lapse if the details required to calculate the premium were already known to us.

If you withheld details or gave incorrect details through gross negligence, we may reduce the scope of our payment in proportion to the severity of your fault.

You must prove that you did not act with gross negligence. (Example of “grossly negligent conduct”: someone breaches the care required in ordinary dealings to an unusually high degree.)

Exception: in the following cases you nevertheless have cover:

- You prove to us that the change neither influenced the occurrence of the insured event nor increased the extent of our payment.
- The deadline for our cancellation has expired and we have not cancelled.

The rules just described are not applied if

- the change is so insignificant that it would not lead to an increase in the premiums, or
- it is evident that this change is meant to be co-insured.

Premium 9. When do claims under the insurance contract become time barred? (A)

Premium 9.1 Statutory limitation

Claims under the insurance contract become time barred after three years. The calculation of the period is governed by the general provisions of the German Civil Code (BGB).

Premium 9.2 Limitation is suspended

If you have notified us of a claim under your insurance contract, limitation is suspended. The suspension runs from the notification until the time at which you receive our decision in text form (that means: when calculating the limitation period, we disregard in your favour the period from the notification until our decision reaches you).

Premium 10. Which law applies and where is the place of jurisdiction? (A)

Premium 10.1 Applicable law

German law applies to this insurance contract.

Premium 10.2 Actions against the insurance company

German law applies to the contract. The German wording of the conditions alone is binding; this translation is provided for understanding only.

If you wish to sue us, you may bring the action at the following places:

- at the seat of the insurance company or at the seat of the branch responsible for your contract,
- or, if you are a natural person, also at the court of your place of residence. (A “natural person” is a human being, as opposed to a “legal person”; that is, for example, a GmbH, an AG or an association). If you have no place of residence, you may bring the action at the court of your habitual abode.

Premium 10.3 Actions against the policyholder

If we have to sue you, we may bring the action at the following places:

- If you are a natural person, at the court of your place of residence. (A “natural person” is a human being, as opposed to a “legal person”; that is, for example, a GmbH, an AG or an association). If you have no place of residence, we may bring the action at the court of your habitual abode.
- If your place of residence or habitual abode is not known at the time the action is brought, at the seat of our insurance company or at the seat of the branch responsible for your contract.
- If you are a legal person, or a general partnership, limited partnership, civil law partnership or registered partnership company, the court at your seat or your branch has jurisdiction.

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