



12 November 2019

Minutes of General Council Meeting on 7 November 2019

Present:

Alain	Freiburghaus	CAP	CH
Rainer	Brune	ROLAND Rechtsschutz	DE
Jitka	Chizzola	D.A.S. Rechtsschutz AG, pobočka pro ČR	CZ
Laurent	des Brest	CFDP	FR
Maiko	Kalvet	ERGO	EE
Henrik	Jensen	LegalOne	NO
Erik	Vanpoucke	Euromex	BE
Daniel	Siegrist	COOP Rechtsschutz AG	CH
Ingo	Kaufmann	D.A.S. Rechtsschutz AG	AT
Simon	Warr	AM Trust Group	GB
Jan	Luwes	LeZa	ZA
Siva	Gengan	Legalwise	
Wolfgang	Hofbauer	DMB Rechtsschutz-Versicherung AG	DE
Janine	Nanninga	DAS Rechtsbijstand	NL
György	Szabo	D.A.S. Jogvédelmi Biztosító Zrt.	HU
Roland	Fahrner	Badische Rechtsschutz-Versicherung AG	DE
Antje	Fedderke	RIAD	

Absent:

1. Rissa Revin
2. Rafal Hiszpanski

15 Members present, 7 Members represented, 1 observer (Siva Gengan, LegalWise ZA).

With 18 national sections present or represented the General Council has a quorum and can duly convene.

Members received the invitation on 23 September and the agenda with annexes on 14 October 2019.

Jan Luwes presents his successor on the General Council, Siva Gengan. He reports that LegalWise has now existed for 31 years, the past 15 years as insurance company. Jan explains the re-structuring of LegalWise which aims at separating the legal services from the insurance. Siva is the new CEO of LegalWise, the company that will house the legal services and acts as intermediary of Leza, the insurer, whose CEO is now Eon du Toit. Jan will be serving as Group CEO. Consequently, this is his last General Council meeting but he intends to continue attending future congresses.

1. Minutes of meeting on 11th September 2019 – approval (annex 1)

Members approve the minutes unanimously.

2. RIAD Re-branding – Presentation of Logo and Visuals

Members welcome the new name and logo:



Members watch the animation of the new logo which will be on the LPI website and will be shown to delegates at the congress when the new brand is being launched.

The President informs about

- The new domain name: LegalProtectionInternational.com
- Costs so far: ca. 23,444.00€ (incl. animation clip)
- Outstanding costs are: new webpage (approx. 3,000.00€), email, business cards etc.
- Launch of the new brand: at the congress with the animation clip
- All RIAD members attending the congress will receive business cards with the new logo
- Next steps: official registration, information to be sent to all business partners etc.

Members agree:

All members must promote the new brand, advertise the Association on their webpages and introduce a link to the new LPI webpage.

3. Resignations of 11 of 12 French RIAD members as of 1 October 2019 – Information, discussion, decision

The President recalls that 11 of 12 French members resigned as of 1 October 2019.

The only French member remaining: CFDP, President is Laurent des Brest, CFDP premium income 2018: 65.27€ mio (6.48% of French section). This means the Association loses ca. 30% of its financial capacity.

Members receive as room document an overview: development of membership since 2016 and impact on the premium income until 2020.

This coincides with the resignation of Gaia Morosi (18 October) which helps reducing administrative costs, in particular since the agreement was mutual and therefore the Association does not need to pay a compensation.

In order to keep expenses for remaining members at more or less the same level in 2020, the budget is reduced by 20% (agenda item 5 and annex 2).

The financial stability of the Association is secured for the time being:

- 2019: full membership fees will be paid (also by French members), i.e. the financial resources are sufficiently covered.
- 2020: French members owe approx. 26,000€ (see Article 6 d.ii. of Statutes) which helps keeping the fees more or less stable.

Laurent des Brest illustrates the reasons of French members for resigning:

- Most companies used to be specialised legal protection insurers but have now become parts of a group or a department of a large insurer.
- Members of the French section are automatically members of LPI and 80% of their fees are diverted directly to LPI. Consequently, without any further ado, members see their money disappear while they seem to benefit mainly from the activities of the French section and not from the 80% of their fees.

- The combination of all these factors was the reason for 11 members to resign from LPI.

The General Council discusses the situation and its consequences:

- The financial stability of the Association depends entirely on the remaining members.
- If the Association is meant to continue and stay relevant it is important that the remaining members commit themselves, get more involved, promote the Association and engage directly in activities.
- The Secretariat will reach out to all members, actively promote the new brand and ask for support (see draft letter in annex which was circulated to Board members on 10 October 2019).
- Efforts should be attempted to replace existing with new members. The question is, however, whether this is realistic and how this could be achieved. In any case, it must be a joint effort with members reaching out and actively recruiting new members.
- The rebranding is an important step forward which must be used vigorously to improve the Association, its popularity and strengthen contacts.
- In first instance, members agree that it is essential to secure the commitment of ERGO/DAS. To this end, Simon Warr agrees to reach out to James Henderson and Torsten Schwan.

Jitka Chizzola emphasises that each member must do more to share information and alert other members about ongoing developments within their national markets. For instance, articles, reports etc. about relevant initiatives and trends could easily be translated and circulated within the Association. As an example she refers to the 25th anniversary that DAS will celebrate next year in the Czech Republic. In this context, her company commissioned a survey which will be translated into English. She promises to share this with members and repeats that only under the condition that information is freely circulated, members can fully and truly benefit from their membership. Also, she proposes that the Association can engage more in an exchange about how countries transpose EU law into national law. For her it would be important to have a comparison of national laws indicating what is possible, what is not possible in the different jurisdictions.

Roland Fahrner reiterates that membership does not primarily present a monetary value but that the input of each individual member strengthens the Association and presents its value. Therefore, he considers it essential to facilitate the exchange of information. As an example he mentions the projects with the 2 universities (see agenda item 9) which are extremely valuable but do not cost much. If members promote this and participate he is convinced that they learn and profit from the experience of others. The Association and its members must absorb all new influences.

Laurent des Brest confirms that, with the use of online tools, communication and exchange of best practices has become extremely easy and cost-effective. He thinks that the Association must create its own internal network.

György Szabo stresses that companies are forced to cut costs for activities that are not productive and do not have a tangible effect on profitability. Therefore, the Association's activities should reflect the organisational structure of the members, target certain departments (e.g. marketing, claims handling, HR etc.) and provide specific knowledge and expertise in order to present real value for members.

The President reports that the Board discussed that it would be necessary to reduce costs of congresses to increase attendance and get a higher number of young staff involved. A possibility could be that 1 or 2 participants of each member company pay the full fee while any additional participant from a member would benefit from a substantial reduction (possibly participation fees as low as 200€–300€).

Alain Freiburghaus expresses his concern that the situation in France now opens the door to free riders. In his opinion it must be prevented that the French members who resigned continue to receive information and benefit from the LPI's and members' know-how and activities. The emergence of free riders is visible everywhere and it poses a real threat for LPI. He proposes that the German section as most important LPI market and biggest section of the Association should take on a role of true leadership.

Roland Fahrner urges members that it is, at this point, crucial to take concrete steps if the Association wants to survive and if members want to bring it forward. It would be fatal if LPI and its members restricted themselves to simply drawing up a wish list instead of deciding and implementing actual measures.

Simon Warr agrees and confirms that he will engage in the next steps, i.e. putting together an action plan, collecting ideas, creating content and implementing a strategy.

As successor of Nicolas Zavalichine, the General Council elects Rainer Brune as Vice-President. Rainer Brune accepts the election.

The Board proposes to elect Laurent des Brest as Board member. The General Council elects Laurent des Brest. Laurent des Brest accepts the election and explains that he will only stay on as CFDP President for approx. another year. Therefore, the General Council approves Christophe Boiton, the Director General of CFDP, as Laurent des Brest's substitute and possible successor on the Board.

4. Resignation of Gaia Morosi as of 18 October 2019 – Information

See agenda item 3.

5. Budget 2020 – Approval (annex 2)

Members approve the proposed budget of 295,300€.

6. Repartition of membership fee 2019 – Approval (annex 3)

Members approve the proposed repartition.

7. RIAD Congress on 15&16 October 2020 in The Hague – Members' participation in the preparation: first Action Team Meeting on 29/11/2019

Date of congress: 15 and 16 October 2020

Topic: the position of in-house lawyers of legal protection insurers

First Action Team meeting: 29 November in The Hague at the congress hotel

Action Team Members: Janine Nanninga (DAS Netherlands), Roland Quinten (ROLAND), Christoph Arnet (COOP Rechtsschutz), Christophe Boiton (CFDP). Simon Warr will attend the first meeting.

Janine Nanninga suggests that someone from Belgium joins the Action Team since Belgium is an important country where in-house lawyers actively provide legal services.

Erik Vanpoucke agrees that he will consult with Erika Van Dyck of DAS and nominate a member who joins the Action Team meeting on 29 November.

8. RIAD Congress 2019 in Berlin – Oral update

The congress will have ca. 113 attendees.

The costs will not be entirely covered, i.e. the gap will amount to approx. 5,000€-8,000€.

9. New developments/ exchange of information – Reports and discussions

- a) Members report new developments in their countries. These country reports will be circulated as a separate document to all LPI members (done by email dated 20 November 2019).
- b) Antje Fedderke reports: on 27 August she sent questionnaires to Japan, South Africa, Canada. The responses are still outstanding and will be communicated to all members. The questionnaire targets specific issues of EU legislation in order to establish differences between the markets:
 - Marketing and consumer understanding (% of population covered, how is LPI sold, is it well known, do consumers understand the product?)

- Choice of lawyer issues (do consumers always have a free choice of lawyer and/or is there a domestic/international provision in force equivalent to Article 201 of EU Directive 2009/138/EC?)
 - Potential for conflict of interest (obligation to use insurer's panel of lawyers, who do lawyers take instructions from, how much confidential information about the consumer's legal proceedings are given to the insurer?)
 - Regulatory frameworks (who regulates the legal industry and the insurance industry, independence of regulators, are there international guidelines?)
- c) ELTA Congress on 20-21 November in Madrid: LPI members get free tickets. Simon Warr will be on a panel on 21 November at 9h30.
- d) Antje Fedderke reports about the projects with the universities of Pforzheim and Frankfurt:

University of Frankfurt:

- Search for scientific assistant is ongoing.
- Start possibly in January

University of Pforzheim

- First meeting: 17 October (kick-off).
RIAD representatives: Antje Fedderke, Roland Fahrner.
- Second meeting: 4 November (intermediary report).
RIAD representatives: Antje Fedderke, Roland Fahrner.
- Final presentation: 19 December, Cologne, 14h00 at the offices of ROLAND

All members are invited to attend this presentation, an invitation will be circulated shortly. Members are urgently requested to join!

10. Miscellaneous

In order to cut costs and since the statutes do not require the General Council to convene more than once per year, members decide not to hold a meeting in spring 2020. Consequently, the General Council will meet the next time in The Hague, unless there is a need for an additional meeting or an opportunity in connection with a member workshop or seminar.

Annex

D R A F T

To Mr/Mrs.....

Subject: Call for members to support Legal Protection International

Dear,

As you may know, our Association has just celebrated its 50th anniversary. A reason to celebrate and to dare a look into the future!

Half a century is a milestone: RIAD has evolved from a loose "International Meeting of Defence Insurers (Rencontre Internationale des Assureurs Défense)" into a professional association whose members come from 20 countries and 4 continents. This makes RIAD the only association in the world that represents the interests of legal protection insurers and service providers and offers you the opportunity to exchange experience and best practices.

Reason enough to take stock and strengthen our association for the future: As *Legal Protection International*, we want to do more for you and your company and engage more. With the firm conviction that everyone in the world deserves access to good legal protection, we are convinced that we need to raise awareness of legal protection and promote our sector.

However, better communication, a greater flow of information and more influence are only possible with your support! Therefore, we need your support and commitment and hope that you will remain a member of ***Legal Protection International!***

Thank you in advance and do not hesitate to contact us if you have any questions.

Kind regards,

The Board