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Your Third-Party Liability Claim

Damage categories and your options - simply explained

After an accident that was not your fault, you should be placed in the same financial position as you would have been without the accident. Repair costs, replacement value and residual value are key.

The key terms

Repair costs: Costs of professionally repairing the accident damage.
Replacement value: Amount for a comparable vehicle before the accident.
Residual value: Value of the damaged vehicle in its unrepaired condition.
Diminution in value: Loss in value that may remain despite professional repair.

1 Repair damage

A repair is technically possible and, in principle, economically reasonable.

You wish to have it repaired

If the repair is complete and professional, the necessary repair costs are generally reimbursed. Any diminution in value identified in the expert report may be reimbursed in addition.

You do not wish to repair it, or only partially

A notional settlement based on the expert report is generally possible. As a rule, the necessary net repair costs are used. VAT is reimbursed only to the extent that it was actually incurred.

2 Economic total loss

A repair may be technically possible, but is generally no longer economically reasonable.

You wish to sell the vehicle

Replacement value - residual value = compensation

You can sell the damaged vehicle. The residual value stated in the expert report is taken into account in the settlement.

You wish to keep and continue using your vehicle

A complete repair of the accident damage is generally not required.
The vehicle only needs to be restored to a roadworthy condition - if necessary.

If the vehicle continues to be used for at least six months, **the repair costs determined in the expert report up to the replacement value** can generally be settled. VAT is reimbursed only to the extent actually incurred.

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3 130% rule

Even in the event of an economic total loss, repair may be possible if keeping your vehicle is particularly important to you.

Under certain conditions, repair costs of up to 130% of the replacement value may be reimbursed.

For this purpose, the vehicle must in particular:

- be repaired completely and professionally,
- the repair must be documented accordingly, and
- as a rule, continue to be used for at least six months.

Important:
A purely notional settlement up to the 130% limit is not possible. Before repairs begin, discuss the procedure with your expert and, if applicable, a specialist traffic-law solicitor.

4 Technical total loss

A technical total loss exists if the vehicle can no longer be restored technically or safely, OR if the repair costs exceed 130% of the replacement value.

Replacement value - residual value = compensation

Settlement is generally made on the basis of a total loss.

What should you do now?

Please do not act hastily.

Do not sell, dispose of or repair your vehicle hastily. Especially in the event of a total loss or a possible 130% case, the most appropriate settlement option should first be clarified.

Further claims may exist.

Depending on the case, claims may also include loss-of-use compensation, hire-car, towing, expert and legal costs.

This information sheet provides general guidance. The specific settlement depends on the circumstances of each individual case.