

These General Terms and Conditions ("GTIs") apply only to residential leases. They govern contractual relations between Firstcaution SA ("Firstcaution"), the insured tenants or their guarantors ("the Tenant") and the insured lessors or their representatives ("the Lessor"), subject to the mandatory provisions of Federal law.

Art. 1 Scope and purpose

- 1.1 Firstcaution undertakes to guarantee the payment of any debt arising from the lease agreement specified in the rent guarantee certificate (the "Certificate") owed by the Tenant to the Lessor up to the amount of the guarantee stated in the Certificate in principal, interest and costs.
- 1.2 Firstcaution's obligations are excluded or limited in the following cases:
 - a. Firstcaution will not issue a rent guarantee for a lease made between a Tenant and a sub-Tenant without the Lessor's written consent.
 - b. If there is more than one Certificate covering the same rental lease, only the most recently-dated Certificate is deemed to be valid.
 - c. A rent guarantee applies only to the Tenant's debts arising after the Certificate's issue date.

Art. 2 Certificate

- 2.1 As soon as the application for a rent guarantee has been accepted, Firstcaution will issue a single original Certificate addressed to the management or the Lessor with copies to the Tenant(s).
- 2.2 If the content of the insurance policy is not consistent with agreements reached, the Tenant or Lessor shall within four weeks of the date of receiving the document request its amendment in writing. Failing this its content will be deemed to have been accepted.

Art. 3 More than one Tenant or existence of a guarantor

- 3.1 When the Certificate is made out in the name of more than one Tenant, these are deemed to be bound jointly and severally, and they are all irrevocably deemed to have given the others the power to act in their name and on their behalf; similarly each Tenant may validly instruct Firstcaution in relation to any matter relating to the lease and the rent guarantee (release of guarantee, transfers of funds etc.).
- 3.2 Firstcaution may contact any of them at its discretion in exercising its right of recourse and for the full guarantee (article 7 below) in accordance with the joint liability rules.
- 3.3 If the Certificate is signed by one or more guarantors, the guarantor(s) personally undertake to be jointly liable to Firstcaution for any right of recourse. Firstcaution may then claim from the guarantor(s) as joint debtors the repayment of all monies paid to the Lessor under the contract, including interest and administrative and legal costs.

Art. 4 Commencement and termination of the rent guarantee

- 4.1 The rent guarantee takes effect on the Certificate's issue date.
- 4.2 The rent guarantee is terminated in any of the following cases:
 - a. In the event of Firstcaution receiving written consent signed by the Tenant and the Lessor;
 - b. When Firstcaution has paid the Lessor the full amount of its claim up to the amount of the guarantee set out in the Certificate, in application of article 5 above;
 - c. If within 12 months of the termination of the lease the Lessor has lodged no claim against the Tenant in connection with any legal proceedings or action for debts or bankruptcy, then the Firstcaution rent guarantee is terminated with full legal effect. In the event of any action brought by the Lessor or the manager, the latter is required to notify Firstcaution SA within 12 months of the termination of the lease agreement. Tenants requesting the release of the rent guarantee are responsible for providing Firstcaution with evidence demonstrating that they vacated the premises covered by the guarantee more than twelve months ago. On receiving this, Firstcaution must notify the Lessor; if the Lessor has not within fourteen days provided written evidence demonstrating that it brought a legal action or instituted proceedings against the Tenant in the year following the vacation of the premises covered by the deposit, then Firstcaution's obligation terminates with full legal effect;
 - d. In the event of the substitution of the guarantee in compliance with article 4.5.
- 4.3 If after the Certificate has been issued the Lessor transfers the rented property or if such property is seized due to a civil enforcement procedure (proceedings for debts or bankruptcy) and the lease agreement is transferred to the buyer with title to the property, the property covered by the insurance as referred to in article 1 above inures to the new Lessor on the transfer of the lease. Any new Lessor must make itself known in writing to Firstcaution within thirty days of the conveyance of title.
- 4.4 In the event of any amendment of the lease affecting the rent guarantee, the Tenant must ask Firstcaution to alter the Certificate accordingly within 30 days of receiving the document modifying the original Lease. In the event of the transfer of the Lease to a new Tenant, the rent guarantee provided by Firstcaution terminates in accordance with the procedures set out in article 4.2. The person taking over the rented property may not in any circumstances rely on the rent guarantee arranged by the Tenant. The successor may submit a new request to Firstcaution.
- 4.5 Tenants wishing to give the Lessor a different rent guarantee instead of the one covered by this agreement (bank guarantee or other rent guarantee) will only be relieved of their obligations to Firstcaution after supplying the Lessor with a new security insurance certificate or bank guarantee replacing the guarantee provided by Firstcaution, and supplying Firstcaution with the Lessor's written consent relieving Firstcaution of any obligation.

Art. 5 Payment to the Lessor of the amount of the rent guarantee

- 5.1 For lease agreements, whether or not they are subject to the rental lease master agreement in French-speaking Switzerland, Firstcaution undertakes to pay the Lessor the amount owed by the Tenant within the limits of the amount covered in the Certificate once any of the following conditions has been met:
 - a. On presentation of the original Certificate or an acknowledgement of debt, signed by the Lessor and Tenant (double signature obligatory), specifying the date of the cancellation of the lease and the amount claimed by the Lessor;
 - b. On presentation and submission of an original, final and enforceable judgement imposing a financial penalty on the Tenant;
 - c. On presentation and submission of an original formal notice to pay served on the Tenant at the request of the Lessor, provided that it is enforceable and free of even partial adverse claims, or accompanied by an original, final and enforceable judgement dismissing the objection.
- 5.2 The Lessor may not rely upon the provisions set out in article 495 SCO to call on Firstcaution to pay the rent guarantee immediately. It must go to court or institute proceedings in Switzerland at the agreed venue.
- 5.3 Within the framework of a combined product, if the rent guarantee is claimed by the Lessor, the amount paid is taken from the deposit account opened by Firstcaution until funds have been exhausted, then Firstcaution pays the additional sum required up to the amount of the rent guarantee set out in the Certificate, in accordance with the provisions of section 5.1.

Art. 6 Right of recourse / subrogation

- 6.1 In the event that Firstcaution pays an amount to the Lessor under the rent guarantee, Firstcaution is immediately and fully subrogated to the Lessor's rights and may claim from the Tenant, by way of a payment notice, a refund of any amount paid by it to the Lessor in application of the agreement, plus interest, charges of legal costs. Any payment made subsequent to the payment notice may only be sent to Firstcaution. If an action is brought against the Lessor on this matter, the Tenant must notify Firstcaution in writing prior to any settlement.
- 6.2 The Tenants expressly declare their consent to the substitution of parties, viz. the substitution of Firstcaution for the Lessor in any legal action and enforcement action then pending at the time of the subrogation of rights, and undertake to reimburse Firstcaution with any sums paid by it under the terms of the rent guarantee, plus interest and expenses.

Art. 7 Premiums

- 7.1 The Tenant undertakes to pay Firstcaution an insurance premium each year based on the amount of the deposit, plus federal stamp duty and management charges.
- 7.2 Annual premiums are payable in advance for each calendar year, not later than 31 December before the year to which the premium relates. The minimum annual premium is CHF 100.-, plus an admin charge of CHF 20.- and federal stamp duty.
- 7.3 A Tenant arranging cover between 1 October and 31 December shall pay a premium covering the period ending on 31 December of the following year.
- 7.4 In the event of non-payment, defaulting Tenants will be called on in writing and at their own expense to pay the premium within fourteen days. Reminder charges and legal costs will be added to the premium due. Notwithstanding Article 20 (3) of the IPA, monies due will be recovered using any suitable judicial remedies without suspension of cover. The Lessor will be notified of the non-payment of the premium within the set time limits.
- 7.5 The Tenant is obliged to pay premiums for as long as the surety insurance policy has not been terminated in accordance with the provisions of article 4.2. The tenant will be responsible for completing the required procedures with the Lessor so that Firstcaution can obtain confirmation of the termination of the rent guarantee.
- 7.6 If the surety insurance policy is terminated before the end of the calendar year, Firstcaution will reimburse Tenants, on their written request within one month following the termination date, with that portion of the annual premium covering the period from the date of termination of the rent guarantee until 31 December, less administrative costs of CHF 20.-. Nevertheless, in application of Article 20 (3) of the Federal Act of 2 April 1908 on Insurance Policies (IPA), if cancellation takes place during the calendar year following the inception of the surety policy, then Firstcaution retains the full-year premium unless the Tenant arranges new rent guarantee cover with Firstcaution. The premium is also retained by Firstcaution when it is called upon to pay the Lessor instead of the Tenant.
- 7.7 If Firstcaution rejects a rent guarantee application, it repays the full premium paid by the Tenant.

Art. 8 Liability

- 8.1 Firstcaution and its employees will not be held liable for any loss resulting from the performance, non-performance or poor performance of this agreement, subject to any serious misconduct or fraud within the meaning of article 100 (1) SCO. Firstcaution's liability is expressly excluded for any loss or damage resulting from any information relating to the Tenant supplied by Firstcaution to the Lessor or any third party.

Art. 9 Final provisions

- 9.1 Firstcaution reserves the right to amend these GTIs at any time, including the premium rate, by giving the Tenant and Lessor 30 days' written notice. The Tenant may then cancel the rent guarantee agreement without notice, provided that the Lessor is given an equivalent guarantee that enables the Certificate to be returned to Firstcaution in accordance with article 4.5 above. If the policy has not been cancelled before 31 December of the current calendar year, the new general terms, including new rates, will be deemed to have been accepted by the Tenant. Any amendment affecting the rights and/or obligations of the Lessor must be submitted to the latter or its agent for acceptance. The Lessor or its agent may inform Firstcaution that it requires the terms of the GTIs to be left unchanged as regards the provisions relating to it. If a refusal is not received within 30 days, these amendments shall be deemed to have been accepted.
- 9.2 Firstcaution reserves the right to monitor the Tenant's solvency through information services, and if appropriate to reject any application for a rent guarantee at its entire discretion and with no obligation to show cause. Firstcaution processes tenant data in strict compliance with the Swiss Data Protection Act (FADP). It may use such data and pass them to third parties within the legal limits. Firstcaution will analyze such data to assess the insurance risk, set the premium, draw up statistics and conduct marketing campaigns.
- 9.3 Firstcaution reserves the right to reject any rent guarantee application with no obligation to show cause.
- 9.4 Data required for the settlement of legal proceedings may also be disclosed to third parties concerned or transferred to foreign countries.

Art. 10 Applicable law and venue

Relations between Firstcaution, the Tenant(s), guarantor(s) and Lessor are subject to Swiss law to the exclusion of any provisions of international private law. Any disputes arising from this agreement, including its validity, performance and interpretation, will be exclusively referred to courts with jurisdiction at the location of the rented property. However, Firstcaution reserves the right to initiate proceedings at the places of residence or registered offices of the Tenant(s), guarantor(s) or Lessor or in any other court with jurisdiction in Switzerland or abroad. Swiss law will also apply in this event, to the exclusion of any provisions of international private law.

The French version of these GTIs is authoritative.