



info@firstcaution.ch | Avenue Edouard-Rod 4, 1260 Nyon

# GENERAL INSURANCE CONDITIONS

Rental Guarantee for **Private Residential Lease**  
Agreements and Ancillary Premises

## Client Information pursuant to Article 3 of the Federal Law on Insurance Contracts (LCA)

The insurer is Firstcaution SA ("Firstcaution"), a Swiss corporation located at Avenue Edouard-Rod 4, 1260 Nyon.

### Insured Risk and Scope of Insurance

Firstcaution guarantees the payment of any debt arising from the lease agreement specified in the rent guarantee certificate ("certificate"), which the tenant or other persons designated in the lease agreement as jointly responsible ("policyholder") have incurred to the landlord or his representatives ("beneficiary"), up to the agreed insured amount ("guarantee amount").

The insurance coverage starts (commences) on the date mentioned in the policy and terminates under the conditions stipulated in Article 4.1 of these General Terms and Conditions (GTC).

### Premium and Other Obligations of the Policyholder

During the first calendar year of coverage, the annual premium amount is fixed. From the second year onwards, it becomes flexible and depends on the agreed guarantee amount and any deposit payment made by the policyholder to Firstcaution. The policyholder may at any time make a higher deposit, resulting in a reduced premium from the second insurance year onwards and vice versa, if the required solvency conditions are met. The current situation (deposit/ premium) can always be consulted in the policy document.

Other obligations of the policyholder are governed by Article 8 of these General Insurance Terms and Conditions (GTC).

### Personal Data Processing

Information collected on individuals who are part of the insurance contract is processed electronically by FirstCaution, essential for processing the application (including solvency checks), contract execution, and debt collection, for marketing purposes and statistical analyses.

This information and personal data are also retained for security purposes, to comply with legal and regulatory obligations, and will be kept as long as necessary for the fulfillment of the insurance contract and any applicable warranties thereafter.

Access to personal data is strictly limited to Firstcaution employees authorized to process the application. The collected information may be shared with third parties contracted by the company for the execution of outsourced tasks.

The processing of personal data is carried out in accordance with the Swiss Data Protection Act, effective September 1, 2023. Individual clients have

the right to access, correct, delete, and port data concerning them, as well as to object to the processing on legitimate grounds, which they can exercise via email at [info@firstcaution.ch](mailto:info@firstcaution.ch), attaching valid proof of identity.

As part of our operations, we may store and process personal data through secure cloud services hosted in Switzerland and the European Union (EU).

More information is available in our privacy statement on our website or upon request from Firstcaution.

### Right of Revocation

The policyholder may revoke their application for contract conclusion or, if Firstcaution has submitted an offer, their acceptance of the contract by written notice or in any other form that allows for textbased proof (for example, by email to [info@firstcaution.ch](mailto:info@firstcaution.ch)), within 14 days following the application submission or offer acceptance. Any benefits already received must be reimbursed by the policyholder or by Firstcaution.

If a certificate has already been issued for the benefit of the beneficiary, then the beneficiary must submit confirmation of cancellation for it to be effective.

As long as the beneficiary is able to assert claims against Firstcaution, the policyholder owes insurance premiums to Firstcaution until further notice.

## General Insurance Terms and Conditions

### Art. 1 Scope and Contracting Parties

- 1.1 The rent guarantee insurance ("insurance" / "insurance contract") applies exclusively to claims arising from private residential lease agreements and ancillary premises (e.g., garages etc.) located in Switzerland.
- 1.2 The insurance contract is concluded between Firstcaution SA ("Firstcaution") and the tenant or other persons designated on the lease agreement as jointly responsible ("policyholder") for the benefit of the landlord/lessor or his representatives ("beneficiary").
- 1.3 Subscription of insurance for claims arising from sub-lease contracts implies that the landlord has declared in writing to the main tenant his consent to a sub-lease. In such cases, the insurance contract is concluded between Firstcaution and the sub-tenant ("policyholder") in favor of the main tenant ("beneficiary").

### Art. 2 Scope of Insurance

- 2.1 Firstcaution guarantees the payment of any debt to the landlord (beneficiary) arising from the lease agreement between the policyholder and the landlord, as well as specified in the guarantee policy and the rent guarantee certificate ("certificate") issued to the beneficiary. Only a certificate issued by Firstcaution and directly addressed to the beneficiary/landlord/lessor or his representative is valid.
- 2.2 In the event the beneficiary holds several certificates, the most recent shall prevail.
- 2.3 The guarantee is limited to the amount mentioned in the policy and in the certificate ("guarantee amount"). If Firstcaution provides services to the beneficiary, the guarantee amount is reduced by the corresponding amount.
- 2.4 In the case of a furnished rental, debts of the policyholder or sub-tenant resulting from damages related to furniture or inventory to the beneficiary are not covered by Firstcaution.

### Art. 3 Multiple Policyholders/Guarantors

- 3.1 Multiple policyholders mentioned in the policy are jointly responsible for the obligations arising from the insurance contract.
- 3.2 Each policyholder is authorized to legally represent the other(s) and to provide legal declarations on their behalf to Firstcaution in the context of the insurance contract.
- 3.3 Guarantors named in the policy commit to share jointly the responsibilities with the policyholder(s) for any potential recourse claims by Firstcaution as per Article 6 of these GTC.

### Art. 4 Commencement and Termination of Rent Guarantee, Change of Beneficiary

- 4.1 The insurance starts on the date mentioned in the policy and ends when one of the following events occurs:
  - A. The policyholder terminates the insurance contract by writing, observing a 30-day notice period at the end of a calendar year, including either the certificate bearing the beneficiary's signature or an equivalent signed declaration.
  - B. The beneficiary renounces the guarantee in writing and returns the signed certificate to Firstcaution.
  - C. The guarantee amount is exhausted because Firstcaution has paid it to the beneficiary.
  - D. The beneficiary does not make any claims against the policyholder within the year following the termination of the lease.
- 4.2 If, following the conclusion of the insurance contract, the rented property is transferred to a new owner, and he assumes the lease with the rented object, the guarantee is also transferred to the new owner.
- 4.3 In the effective exercise of the legal right of withdrawal (see client information according to Art. 3 VVG), the policyholder must ensure

that Firstcaution is released from its obligations under the guarantee, that Firstcaution receives the guarantee certificate from the owner, and that the owner submits a declaration to Firstcaution stating that he makes no claims against Firstcaution. If a certificate has already been issued for the benefit of the beneficiary, then the beneficiary must submit confirmation of cancellation for it to be effective.

### Art. 5 Payment of the Deposit and Right of Recourse

- 5.1 As per Art. 257e, para. 3 CO, Firstcaution pays (in a single payment) the guarantee amount to the beneficiary upon presentation of one of the following documents by the beneficiary:
  - A. A written statement acknowledging debt, specifying the termination date of the lease and the claimed amount, signed by both the policyholder and the beneficiary.
  - B. An enforceable payment order through which the beneficiary has claimed lease-related claims against the policyholder, provided it is free from any objection, even partial, or accompanied by a definitive and enforceable judgment lifting the objection.
  - C. A definitive and enforceable judgment related to lease claims of the beneficiary against the policyholder.
- 5.2 The amount mentioned in the corresponding document is paid to the beneficiary, however, only up to the guarantee amount. The beneficiary may not invoke the provisions of Article 495 CO to demand immediate payment of the rent guarantee from Firstcaution. He must pursue legal action or enforcement proceedings in Switzerland at the agreed venue.
- 5.3 If a payment is made, Firstcaution assumes, according to Art. 507 CO, the rights of the beneficiary. According to Art. 3.3 of the GTC, Firstcaution may have recourse to the policyholder/guarantor on the certificate or the policy and demand reimbursement of the amount paid within a period of 30 days.
- 5.4 If the reimbursement is not made within this period, the policyholder/guarantor is invited in writing to make the payment within the following 10 days. For each reminder, additional fees of at least CHF 20.- may be charged. In case of initiation of enforcement proceedings, administrative fees of CHF 200.00 will be charged according to Art. 106 CO. Furthermore, in the event of non-payment, the amount due (including reminder costs) may be entrusted to our external collection agency, which will apply a processing fee payable according to [www.fairpay.ch](http://www.fairpay.ch). The policyholder is obliged not only to pay the invoiced amount, but also to reimburse all costs (particularly collection fees) incurred as a result of late payment.
- 5.5 The policyholder may in no case raise against Firstcaution the objections he might have raised against the beneficiary.

### Art. 6 Premium, Payment Modalities, and Reimbursement

- 6.1 The policyholder owes an annual premium to Firstcaution.
- 6.2 The premium for the first calendar year (year of insurance effectuation) is a lump sum dependent on the moment of insurance effectuation ("entry premium": stamp tax included), and on the total rent guarantee amount (irrespective of any deposit), which is due from the beginning of the insurance. For guarantees exceeding CHF 15,000.00, the amount of the entry premium will be determined at the request of the policyholder.
- 6.3 From the second calendar year of insurance onwards, the premium is flexible and depends on the agreed sum of guarantee as well as the amount of any deposit payment made by the policyholder to Firstcaution (see Art. 7 of these GTC). The premium is calculated based on the difference between the agreed guarantee amount and the amount of the deposit made (= "difference"), (to which administrative fees of CHF 20.00 and the stamp tax are added).
- 6.4 From the second calendar year of insurance onwards, the premium must be paid each year in advance no later than December 31.
- 6.5 If the policyholder does not settle the premium within this period, he is invited in writing to make the payment within the following 10 days. For each reminder, additional fees of at least 20.- may be charged.

In case of initiation of enforcement proceedings, administrative fees of CHF 100.00 will be charged to the policyholder according to Art. 106 CO. Furthermore, in the event of non-payment, the amount due (including reminder costs) may be entrusted to our external collection agency, which will apply a processing fee payable according to [www.fairpay.ch](http://www.fairpay.ch). The policyholder is obliged not only to pay the invoiced amount, but also to reimburse all costs (particularly collection fees) incurred as a result of late payment. Notwithstanding Art. 20, para. 3 LCA, coverage vis-à-vis the beneficiary is not suspended.

**6.6** When the insurance ends, Firstcaution reimburses the policyholder on request the premium already paid for the current calendar year pro rata (i.e., for the period between the end of the insurance and December 31), deducting administrative fees of CHF 20.00. However, under Art. 42 para. 3 of the Federal Law on Insurance Contracts (LCA), if the termination occurs during the year following the conclusion of the caution insurance contract, the premium for the current insurance period remains acquired by Firstcaution unless the policyholder provides a new rent guarantee issued by Firstcaution.

**6.7.1** By way of derogation from Articles 6.1 to 6.4, the Policyholder may, under certain conditions, opt for a monthly premium payment method.

**6.7.2** This payment method is reserved for Policyholders who hold a valid means of payment in the form of a credit card and who consent to a monthly automatic charge. An explicit debit authorization must be provided to Firstcaution at the time of subscription.

**6.7.3** Where this payment method is chosen, no one-off entry premium as provided under Article 6.2 is charged. The monthly premium amount is calculated as follows: (Agreed guarantee amount - deposit paid, if any) multiplied by the rate applicable to the standard annual premium with a surcharge, plus administrative fees of CHF 20.00 and the federal stamp duty, and then divided by 12 to obtain the monthly instalments. The first and last monthly premium are due for the full month in which the lease agreement respectively commences and ends.

**6.7.4** The monthly charge is executed automatically on the first business day of each month. It is the Policyholder's responsibility to maintain a valid and sufficiently funded means of payment.

**6.7.5** In the event of failed automatic charging, the monthly billing method is automatically suspended and replaced with annual billing as described in Articles 6.1 to 6.6, but at the surcharged tariff set out in Article 6.7.3. A settlement statement will then be issued comprising: (i) the annual amount due for the current calendar year according to the annual calculation method; (ii) the deduction of amounts already charged; (iii) additional administrative fees of CHF 20.00 for processing the change of billing method. The net amount resulting from this statement is invoiced annually and payable immediately. Absent any action by the Policyholder, this annual billing method will remain applicable for subsequent years.

**6.7.6** In case of non-payment of the settlement invoice or any other premium invoice, Article 6.5 applies, including reminder fees, collection costs, and the involvement of an external debt collection agency.

**Art. 7 Amount of the Deposit**

**7.1** The policyholder may at any time deposit an amount (in increments of CHF 100.00) up to the guarantee amount into a collective account ("deposit amount"). This results in a reduction of the premium from the second calendar year (see Art. 6 of these GTC) and serves as security in case of recourse. All payments made under deposits must be made in Swiss francs (CHF), and associated bank fees should be supported by the policyholder.

**7.2** The policyholder may request a partial or complete refund of the deposit amount paid (in increments of CHF 100.00) to the extent that he meets, according to Firstcaution, the required solvency conditions. This results in an increase in the premium from the second calendar year (see Art. 6 of these GTC).

**7.3** The first two changes to the deposit amount (deposit or refund

request) are free of charge. For all subsequent changes, the policyholder owes Firstcaution the sum of CHF 80.00. Firstcaution reserves the right to charge negative interest if market conditions impose it. It is obligated to inform the policyholder of this modification at least 30 days before they take effect and to grant him the right to convert all or part of the deposit amount into a guarantee without charging fees until the modification takes effect.

**7.4** The premium is recalculated as follows: If a change in the deposit amount is made before the 15th of a month, the premium is adjusted accordingly on the 1st of the following month. If a change in the deposit amount is made after the 15th of a month, the premium is adjusted accordingly on the 1st of the second following month. Depending on the change made, a refund or an additional payment request is required compared to the already calculated and paid premium.

**7.5** After termination of the lease, of which the policyholder must immediately inform Firstcaution in writing (see Art. 9.2), respectively, in the case of fixed-term lease agreements, upon their expiry, no further changes to the deposit amount are possible.

**7.6** Firstcaution is authorized to offset its claims against the policyholder with the deposit amount. The deposit amount is neither remunerated nor invested.

**7.7** After the expiration of the insurance contract according to Art. 4, Firstcaution pays the remaining deposit amount to the policyholder into a bank account specified by him.

**7.8** The constitution of a deposit as well as changes to the deposit amount do not impact the validity or quality of the guarantee towards the beneficiary.

## Art. 8 Other Obligations of the Policyholder

**8.1** The policyholder is required to inform Firstcaution in writing within a period of 14 days of any change to the lease (in particular changes of landlord and/or administration, increase or reduction of the guarantee amount, departure of a roommate from the lease agreement, change of name).

**8.2** The policyholder is required to inform Firstcaution in writing within a period of 14 days if the beneficiary asserts claims against the policyholder during the lease mentioned in the policy or during the year following the termination of the contract according to Art. 257e, para. 3 CO.

## Art. 9 Final Provisions

**9.1** Firstcaution may modify these GTC at any time, including the premiums, as well as the policy. It is required to inform the policyholder of this modification at least 30 days before their entry into force.

**9.2** The policyholder is authorized to terminate the insurance contract by registered mail without notice until the modification takes effect, upon presentation of a certificate compliant with Art. 4.1. In the absence of termination, the modification takes effect.

**9.3** The French version of the GTC prevails.

**9.4** Firstcaution reserves the right to refuse a request for conclusion of an insurance contract at its sole discretion and without obligation to provide reasons.

## Art. 10 Applicable Law

The provisions of the Federal Law on Insurance Contracts of April 2, 1908 (LCA) and those of the Code of Obligations (CO) apply.

The content of the contract results from the application, client information according to Art. 3 LCA, these general insurance terms and conditions, other possible conditions, and the insurance policy.

## **Art. 11 Jurisdiction**

The exclusive place of jurisdiction is the registered office of Firstcaution (headquarters).

The French version of the GTC prevails.



# CONTACT

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