



General Insurance Conditions (GIC)

# Rental Guarantee Insurance

Version 07.2021

# Contents

---

The Key Points at a Glance	3
----------------------------	---

## Part A General Conditions of the Insurance Contract

---

A1	Scope of the contract	4
A2	Contract term	4
A3	Termination of the contract	4
A4	Payment of the guarantee amount	4
A5	Right of recourse	4
A6	Community of tenants	4
A7	Premiums	5
A8	Credit checks and information	5
A9	Duty to provide information	5
A10	Principality of Liechtenstein	5
A11	Applicable law and place of jurisdiction	5
A12	Sanctions	5

## Part B Special Terms and Conditions for Rental Guarantees – Master Rental Agreement for French-speaking Switzerland

---

B1	Retention of the rental guarantee by the landlord:	6
B2	Replacement of the surety	6
B3	Calculation of rental guarantee sum	6

# The Key Points at a Glance

This overview provides you with information about the key content of the insurance contract in accordance with Article 3 of the Federal Act on Insurance Contracts (ICA). The contracting parties' rights and obligations come into being on conclusion of the insurance contract, in particular on the basis of the application, policy, contract terms, and statutory provisions.

## Who is the insurance carrier?

The insurance carrier is AXA Insurance Ltd, General Guisan-Strasse 40, 8401 Winterthur (hereinafter referred to as "AXA"), a stock corporation with registered office in Winterthur and a subsidiary of the AXA Group.

## What is a rental guarantee?

Landlords often require tenants to provide a rental guarantee in the form of a deposit that is paid into an escrow account. The landlord can access this amount if the tenant fails to pay the rental fees or damages the property. The landlord cancels the rental guarantee when the lease ends, unless there is a claim.

## What is rental guarantee insurance?

Rental guarantee insurance is essentially a type of indemnity insurance. A tenant who takes out rental guarantee insurance from AXA is exempt from having to put down money because AXA acts as the guarantor in this case. The surety provided by AXA for the landlord is equivalent to the rental guarantee and covers all claims brought by the landlord. The surety is concluded under a separate surety contract in accordance with Article 496 of the Swiss Code of Obligations (SCO) between AXA, as guarantor, and the landlord, as guarantee holder.

## What risks are covered?

Through the surety, AXA provides the landlord with a guarantee, within the scope of the agreed deposit sum and insurance term, to cover the statutory or contractual claims arising from the rental agreement.

## What risks are not covered?

Rental guarantee insurance is not the same as liability insurance. AXA does not cover claims that are brought by the landlord; it merely pays an advance. The policyholder must repay AXA the full amount in expenses it incurs from its surety obligation.

## How is the premium calculated?

The amount of the premium is set out in the policy. It is based on the amount of the joint and several surety and also includes federal stamp duty. The premium is due annually.

## When does the notice of claim need to be filed?

The notice of claim is submitted by the beneficiary as soon as the policyholder is unable to comply with the contractual provisions (due to insolvency, for example) and has become liable for damages and/or the claims criteria specified in the deed are met.

## How can the right of withdrawal be exercised?

The policyholder may withdraw from the contract with AXA within 14 days of its acceptance and – if the deed has already been issued – acceptance by the beneficiary. This deadline will be met if the withdrawal is communicated to AXA in writing or electronically (by email, for example).

If the policyholder exercises the right of withdrawal, this does not immediately release the policyholder from the surety obligation to the beneficiary. If the right of withdrawal is exercised, the policyholder must ensure that when the policy expires AXA is released from its obligations under the deed and the deed is returned.

## Special information for the Principality of Liechtenstein

The applicant is bound by the application to conclude an insurance contract for a period of two weeks after submitting or sending it. This period is extended to four weeks if a medical examination is required.

If AXA is in breach of the duty to provide information pursuant to the Liechtenstein Insurance Contract Act or the Liechtenstein Insurance Supervision Act, the policyholder has the right to withdraw during a four-week period from receipt of the policy.

The responsible supervisory authority is the Swiss Financial Market Supervisory Authority FINMA, 3000 Bern.

## What data does AXA use, and how?

AXA uses data in compliance with the applicable statutory provisions. More information may be found at [AXA.ch/data-protection](https://www.axa.ch/data-protection).

# General Insurance Conditions (GIC)

## Part A

### General Conditions of the Insurance Contract

#### A1 Scope of the contract

---

The policy stipulates the insurance coverages which have been taken out. The policy, these General Insurance Conditions (GIC), and any Special Insurance Conditions (SIC) provide information about the scope of coverage. AXA guarantees claims, interest, and costs arising from the rental agreement, concerning the rental property specified in the policy, which the landlord charges to the policyholder, as tenant, and which arise during the period of coverage.

Restrictions:

- Any surety covers properties in Switzerland and the Principality of Liechtenstein only.
- The total amount of surety per property equals the sum defined in the surety document, but no more than three months' gross rent.
- The total benefits paid for all claims brought during the period of coverage cannot exceed the sum specified in the surety contract.
- Properties with a purely commercial purpose are excluded.
- This offer applies to natural persons only.

#### A2 Contract term

---

The insurance contract begins on the date specified in the policy. The policy is valid for as long as the deed is in effect.

If the rental property, together with the rental agreement, is transferred to another owner after the insurance contract has been signed, the surety is also transferred to the new owner.

#### A3 Termination of the contract

---

Either contracting party may terminate the contract in writing or in another form of text (email, for example) up to three months prior to its expiry.

If the term of the contract is longer than three years, the parties may terminate it at the end of the third year or of each subsequent year by giving notice in writing or another form of text (email, for example).

Notice of termination is legally valid only if the original surety deed signed by the landlord or a written release from liability for AXA is enclosed by the landlord.

Cover ends automatically in the following cases:

- The landlord cancels AXA's guarantee in writing and returns the surety deed to AXA.
- The surety amount has been fully exhausted.
- The landlord has not legally enforced any claims against the policyholder within one year after the rental agreement ends (Article 257e, paragraph 3, SCO).

#### A4 Payment of the guarantee amount

---

AXA pays a guarantee amount for owed rental fees, damage to the rental property, and other claims under tenancy law, provided that the landlord presents one of the following three documents:

- Written consent from the policyholder.
- Legally valid default summons for outstanding rental fees or other claims of the landlord under tenancy law brought against the policyholder.
- Legally valid judgment or decision to dismiss an objection regarding owed rental fees or other claims of the landlord under tenancy law brought against the policyholder.

The guarantee payment covers the scope of the documented damage, at maximum up to the guarantee sum. The amount is paid to the landlord directly.

If it is no longer possible to meet the above-mentioned criteria (tenant has moved to an unknown address, for example), AXA reserves the right to check payment of the guarantee amount based on the proof of fault supplied by the landlord.

#### A5 Right of recourse

---

If a claim should arise in respect of AXA's surety, the policyholder must immediately repay AXA the amount it has paid based on its surety, plus any interest and costs. The policyholder cannot file any objections against AXA that they could have brought against the landlord.

If the policyholder has personal liability insurance from AXA, possible coverage under such a policy is reviewed before recourse is filed. For this, the policyholder must submit the claims documents that the personal liability insurer requests. Any amounts that may be due from the liability insurance are deducted from the amount being claimed for recourse.

AXA reserves the right to appoint external debt collectors to collect its claims. In such cases, it should be noted that reminder fees of up to CHF 90 are due in the event of late payment. A fee of CHF 60 is charged for debt enforcement; this is in addition to official fees.

#### A6 Community of tenants

---

If the certificate is issued in the name of several tenants, they are deemed jointly and severally liable; consequently, it is assumed that each of them has given the others authority to act in their name and on their behalf. Furthermore, each tenant can issue AXA with instructions in relation to all matters in connection with the rental agreement and the rental guarantee.

If required, AXA can exercise its right of redress against any one of them and for the totality of the amount owed under the rules on joint and several liability.

## **A7 Premiums**

---

The first premium is due when the insurance starts. The subsequent premiums are due on the date shown in the contract.

Policyholders with personal liability insurance from AXA are eligible for a discount when taking out rental guarantee insurance. The discount ends when personal liability insurance ends. It is not possible to combine the discount with other promotions.

No further premiums are owed if the rental agreement ends, in which case the prorated portion of any unused premium will be refunded.

## **A8 Credit checks and information**

---

AXA has the right to request details of the policyholder's payment history from the authorities and information service providers.

AXA reserves the right to request up-to-date information (copy of rental agreement, account statements, salary slips, identity documents, etc.) in order to perform a risk assessment and can refuse to accept the application without giving a reason.

All financial documents provided to us will only be processed by AXA. The departments Credit and Surety have reciprocal access to the financial documents made available to them. Reciprocal access is granted in order to assess creditworthiness for the purpose of processing existing contracts. The information you provide will, of course, be treated in confidence.

## **A9 Duty to provide information**

---

### **A9.1 Communication with AXA**

The policyholder must address all communications to the relevant branch office or to the registered office of AXA.

## **A10 Principality of Liechtenstein**

---

If the policyholder is resident or has their registered office in the Principality of Liechtenstein, the references to provisions of Swiss law contained in the insurance contract documents shall be construed as referring to the corresponding provisions of Liechtenstein law.

## **A11 Applicable law and place of jurisdiction**

---

### **A11.1 Applicable law**

This contract is subject to Swiss law. For contracts that are subject to Liechtenstein law, the binding provisions of Liechtenstein law take precedence if they differ from these General Insurance Conditions (GIC).

### **A11.2 Place of jurisdiction**

The ordinary courts of Switzerland shall have exclusive jurisdiction over any disputes arising out of or in connection with this insurance contract; in the case of policyholders resident or having their registered office in the Principality of Liechtenstein, the ordinary courts of Liechtenstein shall have exclusive jurisdiction over any such disputes.

## **A12 Sanctions**

---

No (re)insurer will provide coverage and no (re)insurer will accept liability for claims payments or other benefits to the extent that the granting of such coverage, payment of such claim, or provision of such benefits would expose that insurer to any sanction, prohibition, or restriction under any UN resolution or any trade or economic sanctions, laws, or regulations of the European Union, the United Kingdom, or the United States of America.

## Part B

# Special Terms and Conditions for Rental Guarantees – Master Rental Agreement for French-speaking Switzerland

The following terms and conditions apply to the cantons affected:

### **B1 Retention of the rental guarantee by the landlord:**

---

If the rental property is in the canton of Geneva, Vaud, or Valais, it is necessary that insolvency proceedings are instituted against the tenant, a moratorium has been issued, the landlord has received a final loss certificate, or the tenant has relocated abroad and therefore cannot be prosecuted in Switzerland or prosecution is made considerably more difficult as a result.

### **B2 Replacement of the surety**

---

If the rental property is in the canton of Geneva or Vaud, the tenant can replace the simple surety at any time by providing a deposit in cash or securities.

### **B3 Calculation of rental guarantee sum**

---

The payment covers the scope of the documented loss, at no more than the rental guarantee sum (maximum of three net rents).



## **Need to file a claim?**

It's easy and fast – report your claim online at:

**[AXA.ch/report-claim](https://www.axa.ch/report-claim)**

AXA  
General-Guisan-Strasse 40  
P.O. Box 357  
8401 Winterthur  
AXA Insurance Ltd

[AXA.ch](https://www.axa.ch)  
[myAXA.ch](https://myaxa.ch) (customer portal)