

# Security deposit insurance

Customer information according to LIC and  
General Conditions of Insurance (GCI)



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If you need help or advice quickly, we are there for you around the clock.  
Call us toll-free at 0800 80 80 80.

Wherever the masculine form is used to refer to persons in the following document – to provide better readability – this always includes the feminine form. To ensure problem-free service, we record all conversations with our customer service centers.

# Customer information according to LIC (Version 05)

The following customer information provides a clear and brief overview of the identity of the insurer and the essential content of the insurance contract (Art. 3 of the Swiss Federal Law on Insurance Contracts, LIC). The rights and obligations of the contractual parties are based on the application/offer and/or policy, the contractual conditions and any applicable laws, in particular the LIC. After the application/offer is accepted, the policyholder will be sent a policy. The content of this policy will correspond to the application/offer.

## Who is the insurer?

The insurer is Zurich Insurance Company Ltd, hereinafter referred to as Zurich, with head offices at Mythenquai 2, 8002 Zurich. Zurich is a corporation under Swiss law.

## What risks are insured and what is the scope of the insurance coverage?

The insured risks and the scope of the insurance coverage are based on the application/offer and/or the policy and on the conditions of insurance.

## What is the premium?

The premium is based on the risks insured and the desired cover. All information about the premium and any applicable fees are included in the application/offer and/or the policy.

## When do I have a claim to premium reimbursement?

If a premium was paid in advance for a specific insurance term and if the contract is terminated before the end of this term, Zurich will reimburse the premium applicable to the remaining insurance term. The premium remains entirely owed to Zurich if:

- the insurance benefit was provided due to a lapse in the risk;
- the insurance benefit was provided for partial damage and the policyholder terminates the contract during the year following the conclusion of the contract.

## What further obligations does the policyholder have?

- **Changes in risk:** If a significant circumstance changes during the insurance term, resulting in a significant increase in risk, this must be immediately notified to Zurich in writing.
- **Establishing the facts:** The policyholder must cooperate in clarifying the insurance contract – e.g. in relation to breaches of information obligations, risk increases, benefit verifications etc. – and provide all helpful information and documents to Zurich, obtain these from third parties for Zurich and authorize third parties in writing to provide the relevant information, documents etc. Zurich is further entitled to carry out its own clarifications.
- **Insured event:** The insured event must be reported to Zurich immediately.

The following list includes only the most common obligations. Further obligations are based on the contractual conditions and the LIC.

## When does the security deposit guarantee begin?

The security deposit guarantee begins on the day stated on the «certificate of security deposit guarantee» and not before the start of the rental contract.

## When does the contract end?

The policyholder may terminate the contract:

- at the latest 3 months before the end of the contract and/or if agreed 3 months before the end of the insurance year. The termination shall be considered received on time if Zurich receives it at the latest on the final day before the beginning of the three-month period. If the contract is not terminated, it shall be tacitly extended by a further year.
- if Zurich changes the premium The termination must in this case be received by Zurich by the last day of the insurance year;
- if Zurich has breached the legal duty of information under Art. 3 LIC. The right to termination shall expire 4 weeks after the policyholder becomes aware of this breach, in any case, however, one year after such a breach.

## Zurich may terminate the insurance contract by withdrawing from it:

- if the policyholder is in default with premium payments, has been warned and Zurich waives the right to collect the premium;
- if the policyholder fails to fulfill his duty of cooperation in determining the circumstances. Zurich is entitled to withdraw from the
- insurance contract with retroactive effect two weeks after the end of a four-week notification period established in writing;
- in the event of insurance fraud.

This list includes only the most common reasons for termination. Further possible reasons for termination are based on the contractual conditions and the LIC.

## How does Zurich handle data?

Zurich processes data provided in the contractual documents or during execution of the contract and uses these in particular to establish the premium, to determine the risk, to process insured events, for statistical assessments and for marketing purposes. The data are stored in physical or electronic form. To the extent necessary, Zurich may forward data for processing to third parties in Switzerland and abroad who are involved in the administration of the contract, in particular to co-insurers and reinsurers, as well as to domestic and foreign companies belonging to Zurich Insurance Group Ltd.

In addition, Zurich may obtain relevant information from public authorities and other third parties, in particular information with respect to claims history. This is valid regardless of whether the contract is concluded. The policyholders have the right to request that Zurich provide information envisaged under legislation with regard to the processing of data pertaining to them.

# General Conditions of Insurance (GCI 01.2015)

## **Art. 1** **Geographical scope of application**

This insurance applies solely to obligations from rental contracts for properties in Switzerland.

## **Art. 2** **Scope of cover**

The insurance applies to all claims justified under rental law made by the landlord against the policyholder as a residential tenant under the rental contract stated in the application. The total benefits for all insurance events during the insurance term are limited to the insurance amount stated in the policy and the «certificate of security deposit guarantee» provided. If a benefit is paid to the landlord, the insurance amount shall be reduced by an equivalent amount.

## **Art. 3** **Start, duration and end of insurance**

The insurance is concluded for a period of 3 years and shall begin on the date stated on the «certificate of security deposit guarantee».

After a minimum period of 3 years, the contract shall be tacitly extended if it is not terminated within a termination notice period of 3 months to December 31, whereby this right to termination shall only apply if the proof of replacement of the security deposit insurance or the original certificate of security deposit guarantee is attached to the termination letter.

## **Art. 4** **Early termination of the insurance contract**

Regardless of the contract term, the contract shall end as of the date of submission of the original certificate of security deposit guarantee or of a confirmation of termination from the landlord.

The unused premium for the ongoing insurance term shall be reimbursed upon termination of the contract, except if:

- the contract is terminated following an expiry of the risk (total loss);
- the contract is terminated by the policyholder within one year of its conclusion following a partial loss.

Amounts less than CHF 5 will be neither collected nor reimbursed.

## **Art. 5** **As of when is the certificate of security deposit guarantee valid?**

The security shall be valid as of the date stated on the «certificate of security deposit guarantee».

## **Art. 6** **Change of landlord**

If the landlord sells the property following the conclusion of the security deposit insurance, or if it is confiscated in the event of debt collection or insolvency proceedings, and if the rental contract transfers to the new purchaser along with the property, any claims under the security deposit insurance shall also transfer to the new landlord.

## **Art. 7** **Premium payment**

The policyholder is obliged to pay the premium by the date stated in the policy throughout the contract term. If the policyholder fails to fulfill this payment obligation, he shall be reminded in writing, at his own expense, to pay the premium within 14 days.

## **Art. 8** **Change of premium and deductibles**

If the premium, federal stamp duty or deductible rules changes, Zurich may modify the contract with effect from the subsequent insurance year.

To do so it must inform the policyholder of the new contractual conditions at the latest 25 days before the end of the insurance year.

The policyholder shall then have the right to terminate the contract in its entirety at the end of the ongoing insurance year. If the policyholder exercises this right, the contract shall expire at the end of the insurance year so long as the proof of replacement of the security deposit insurance or the original «certificate of security deposit guarantee» is attached to the termination letter.

The termination must be received by Zurich by the last day of the insurance year in order to be valid.

If the policyholder does not exercise his right to termination, this shall be considered acceptance of the modified contract.

## **Art. 9** **Benefits**

Zurich shall pay benefits for outstanding rent, damage to the property and other claims under rental law if the landlord submits one of the following items:

- a) written agreement of the policyholder (= tenant)
- b) or a legally-enforceable order for payment relating to rent claims or other claims under rental law on the part of the landlord against the policyholder (= tenant)
- c) or a legally-enforceable ruling or legally-enforceable violation to an objection to rent claims or other claims under rental law on the part of the landlord against the policyholder (=tenant).

In the case of a) and b), the landlord must provide further documentation of the damage to Zurich. The payment of security shall take place within the scope of the documented damage.

The amount of compensation in a) and b) is based on the principles of rental law, and in point c) on the basis of the claim amount stated in the documentation.

If the security deposit guarantee by Zurich is claimed by the landlord, the policyholder must reimburse Zurich the amount paid by Zurich on the basis of the security – plus any interest and costs. The policyholder may not apply any objections which it had against the landlord against Zurich. If the policyholder has personal liability insurance with Zurich, any coverage under this liability insurance will be checked before recovery. To do so the policyholder must submit the proof of damages as required by the personal liability insurance. Any insurance benefit from the personal liability insurance will be deducted from the recovery claim.

Zurich will pay compensation directly to the landlord, to which the policyholder agrees.

## **Art. 10** **Expiry of obligation to pay indemnity**

If the landlord has not made any claim against the tenant under the rental relationship within one year of its end, the security deposit guarantee for the relevant rental contract shall expire (Art. 257e para. 3 OR).

## **Art. 11** **What deductibles apply for this contract?**

If Zurich is obliged to pay benefits for damage to the property the policyholder must pay a deductible of CHF 1,500.00. The landlord shall receive the entire benefit. The deductibles will be invoiced to the policyholder.

# General Conditions of Insurance (GCI 01.2015)

## **Art. 12** **Transfer of title/Recourse**

### **12.1 Assumption of rights**

If Zurich pays benefits, it assumes the rights of the landlord and may seek to recover amounts from the policyholder in the following cases.

### **12.2 Recovery in the event of outstanding rent and other claims under rental law**

Zurich is entitled to recover amounts from the policyholder for benefits paid for outstanding rent and other claims under rental law. Upon submission of documentation under Section 9, the policyholder expressly waives any right to object against the grounds, amount and continuation of the claims made.

### **12.3 Recovery in the case of tenant damage**

For benefits paid for damage to the property, recovery shall be sought for all benefits paid to the landlord, as well as in cases of breaches of the obligations in Art. 13. Deductibles from other providers which Zurich has paid to the landlord will also be recovered.

### **12.4 Recovery in the event of non-payment of premiums**

If premiums are not paid, Zurich shall have the right to fully recover the benefits to be paid to the landlord as of 14 days following the dispatch of a legal warning notice.

## **Art. 13** **Obligations of the policyholder**

### **13.1 Damage to the rental property**

The policyholder must immediately notify any damage to the rental property to his personal liability insurance if such a policy has been concluded with Zurich.

### **13.2 Termination of the rental relationship**

The policyholder must inform Zurich of the end of the rental relationship within 30 days of moving out.

## **Art. 14** **Information**

Zurich has the right to obtain from the authorities and information services information concerning the payment behavior of the policyholder.

## **Art. 15** **Who is the insurance carrier?**

Zurich Insurance Company Ltd and its customer service centers as points of contact is the insurance carrier for the security deposit insurance.

## **Art. 16** **Broker compensation**

If a third party such as a broker represents the interests of the policyholder with regard to the conclusion or management of this insurance contract, Zurich may pay such third party remuneration for its activities on the basis of a separate agreement. If the policyholder would like further information on the subject, he should contact the third party in question.

## **Art. 17** **Written notifications**

Notifications must be sent to Zurich Insurance Company Ltd, Security deposit insurance, Regional Head Office for Central and Northwestern Switzerland, P. O. Box, 6003 Lucerne.

## **Art. 18** **Jurisdiction**

The policyholder or entitled claimant may select from the following places of jurisdiction for disputes arising from this contract:

- Zurich;
- the location of the relevant branch of Zurich Insurance Company Ltd for this contract;
- the Swiss place of residence of the policyholder or the entitled claimant.

## **Art. 19** **Legal provisions**

The provisions of the Federal Law on Insurance Contracts (LIC) of April 2, 1908, apply.

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