

Group insurance by UMS Ltd

General conditions of insurance (GCI)

Edition 03/2014

100 General conditions

101 Insured objects

This cover shall apply to:

- Furnished rental premises rented out for limited or unlimited periods;
- unfurnished rental premises rented out for limited periods.

In Switzerland and in the Principality of Liechtenstein (rental apartments, rooms and houses) brokered by UMS Ltd where a valid broker contract has been signed with the landlord, which establishes a claim to benefits from this insurance and where the signing of a lease contract or an extension of an existing lease contract was declared to UMS Ltd within 10 days of the tenant moving in or within 10 days of the commencement of the extension.

Please notify us at the latest within 10 days if you have concluded a subletting-/lease agreement, but also if you renew an existing agreement.

It shall not apply to unfurnished rental premises rented out for an unlimited period.

In the case of permanently leased unfurnished rental properties we recommend the normal solution with private liability insurance of the tenant plus security deposit account.

102 What risks are insured?

The insurance shall cover:

- Loss of rental income;
- Tenant liability.

The UMS insurance shall cover damage that can be objectively verified. Consequently, conclude a subletting-/lease agreement at all events (ideally via the UMS online contract tool) and in addition keep a meaningful transfer-/take-over record when transferring the flat and taking over the flat (available for download free of charge at www.ums.ch).

We recommend you continue paying your contents insurance to protect your furnishings from natural hazards. In this way your furnishings will also remain insured against natural hazards (water, fire, etc.) and theft during your absence.

103 Beginning and end of insurance

The insurance cover shall commence upon the first rental payment and continue for the duration of the lease as declared to UMS Ltd.

Hence only transfer your property once you have actually received the first rental payment. If necessary, insist on «cash payment in return for key» and keep a receipt in your files.

Should there be a delay in the tenant moving out, we will grant no more than 10 days' extra insurance cover.

104 What happens if there are claims under other insurance contracts?

Where the landlord is entitled to claim under other insurance contracts, the cover shall be limited to that portion of our benefits which exceeds those under the other insurance contract.

No benefits shall be provided for deductibles due under other insurance policies.

105 What are my deductibles under this contract?

Your deductible is CHF 500 per event. Where tenant damage to rented property is caused at the time of the hand-over, however, the deductible applies only once.

106 To whom is the benefit paid?

Zurich will pay compensation to the landlord directly, to which UMS Ltd consents.

107 What obligations arise in the event of a claim?

UMS Ltd shall notify Zurich immediately of claims arising from tenant damage to property and confirm that UMS Ltd brokered the contract and has been notified by the landlord that the contract was signed. UMS Ltd authorizes Zurich to contact the landlord and the tenant directly for any documentation or information Zurich may require to determine the extent of the damage. UMS Ltd acknowledges that the duty of indemnity is suspended in cases where the landlord fails to cooperate in determining the extent of the damage.

108 Communications to Zurich

All notifications should be sent to Zurich Insurance Company Ltd, PO Box, 8085 Zurich, Switzerland.

109 What is the place of jurisdiction?

The Policyholder or the claimant may elect any of the following as the place of jurisdiction for disputes arising under this contract:

- Bern or Zurich;
- the location of the Zurich branch which has a practical connection to this contract.

110 Which legal provisions apply?

The provisions of the Swiss Federal Insurance Contracts Act of 2 April 1908 (VVG/LCA) shall apply.

200 Loss of rental income

201 What is covered by the insurance?

The insurance covers the rent due under the lease contract.

202 When is the landlord entitled to claim for loss of rental income?

Zurich shall pay benefits for outstanding rent due if the landlord furnishes any of the following proof:

- An enforceable payment summons for rent due to be collected from the tenant;
- or an enforceable judgment or final and absolute judicial dismissal of the defendant's objection to rent due claimed from him;
- where tenants' debt cannot be enforced or sued for in a Swiss court of law, any claim of rent lost must be supported by conclusive proof of the extent of such loss.

203 What limits apply to the benefits?

Benefit payments for loss of rental income shall be limited to a maximum of three months' rent per lease contract. The insurance cover excludes any costs incurred in obtaining the aforementioned proof (such as enforcement costs and the like).

Any existing security deposits shall be deducted from the damage.

300 Tenant liability

301 In what capacity are insured persons covered?

The insurance shall cover the legal liability for any damage to the rental premises or to movable rental property caused by a tenant, a member of the tenant's family or persons who, under the lease contract, live in the same household.

Consequently, list all residents by name in the subletting-/rental agreement.

302 What types of damage are covered?

The cover shall extend to damage to the rental premises, its fixtures and fittings, or to shared faculties and features, as well as movable rental property which can be shown to have been made available to the tenant for use.

Where a tenant has taken out private liability insurance, Zurich shall pay out the benefit only if the damage is not covered by the tenant's private liability insurance and such exclusion is confirmed in writing.

303 What limits apply to the benefits?

The maximum sum insured is CHF 5 million per event for the rental premises and its fixtures and fittings as well as its shared faculties and features. The benefits paid out for movable rental property is limited to a maximum of three monthly rents per lease contract.

In the case of damage caused by gross negligence the benefits paid out shall be limited to three monthly rents per lease contract.

Any existing security deposits shall be deducted from the damage.

304 What types of movable rental property are not covered?

The insurance cover shall exclude the following:

- Motor vehicles, motorcycles, caravans, mobile homes, trailers, each with accessories;
- damage to animals.

What to do in the event of loss:

Damage must be reported to UMS Ltd first. This checks whether the conditions exist for benefit obligation or whether other insurance policies assume the damage or parts of it.

If the UMS insurance applies, the matter is transferred to Zurich. Zurich obtains the documents/information required to establish the damage directly from you and/or your tenant.

The benefit obligation lapses if you do not cooperate in determining the damage. Any compensation is paid directly by Zurich to the provider.

Insurance carrier:
Zurich Insurance Company Ltd

Recommendation by UMS Ltd