

RENTAL INCOME PERFORMANCE BOND

- 1. **Bond No.:** [REDACTED]
- 2. **Principal:** Pensio Risk Management Corp.  
9205 W Russell Rd Building 3, Suite 240,  
Las Vegas, NV 89148, U.S.A.
- 3. **Surety:** Rentalis Insurance Company, Inc.
- 4. **Obligee:** A Landlord holding a duly executed **Lease Co-Guarantee Agreement** hereinafter incorporated by reference.
- 5. **Bond Period:** Beginning [REDACTED] at 12:01 a.m., at the address of the **Obligee**. This **Bond** will automatically renew unless cancelled or nonrenewed according to the terms of this **Bond**.

6. **Penal Sum:**

The most **We** will pay as the **Penal Sum** is the applicable limit, as shown below:

Limit for **Property:** **USD 71,000.00** (seventy-one thousand dollars) in any one **Year**

Sublimit: **Malicious Tenant Damage:** **USD 10,000.00** (ten thousand dollars) in any one **Year**

Sublimit: **Eviction Expenses** **USD 1,500.00** (one thousand five hundred dollars) in any one **Year**

[REDACTED]

Date

Pensio Risk Management Corp.

[REDACTED]

Jim Milankov, Director

[REDACTED]

Date

Rentalis Insurance Company, Inc.

[REDACTED]

Jeffrey Schaff, Managing Director  
Authorized Signatory of Surety

Rentalis Corporate Stamp

Words and phrases that appear in boldface are defined on page 1 or in Section II., Definitions, of this **Bond**.

In consideration of the payment of the **Principal's Fees** by **You** and reliance upon all statements made and information provided by **You** to the **Surety**, subject to the limitations, conditions, provisions, and other terms of this **Bond**, it is agreed as follows:

If the **Principal** complies with the **Lease Co-Guarantee Agreement's** terms, the **Surety** shall have no obligation under this **Bond**.

## I. SURETY'S OBLIGATIONS

If there are no **Obligee Defaults** under the **Lease Co-Guarantee Agreement**, the **Surety's** obligations under this **Bond** only arise after: (i) the **Obligee** provides notice of a **Principal Default**, in accordance with applicable law and the **Lease Co-Guarantee Agreement** and (ii) the **Obligee** makes a **Claim**.

### A. Loss of Rent Reimbursement

1. **We** shall pay the **Obligee**, in monthly increments, the **Loss of Rent** for each **Property** in accordance with the **Lease Co-Guarantee Agreement** until the **Property** becomes the subject of a new **Tenancy Agreement** or the **Principal** resumes payments to the **Obligee** in accordance with the **Lease Co-Guarantee Agreement**. The first monthly payment for **Loss of Rent** shall be made within thirty (30) days following the receipt of a **Claim**. Monthly payments for **Loss of Rent** will be made each month in accordance with all terms and conditions of the **Lease Co-Guarantee Agreement** and this **Bond**.
2. The **Surety's** obligations under the **Lease Co-Guarantee Agreement Loss of Rent** ends thirty (30) days after the **Unit** becomes vacant or if the **Unit** becomes subject to a new **Tenancy Agreement** and/or if the **Principal** resumes rent payment to the **Obligee** in accordance with the **Lease Co-Guarantee Agreement**, whichever the earlier.
3. The annual total amount **We** will pay for **Lease Co-Guarantee Agreement Default Payment** shall not exceed the **Penal Sum** for any **Property**.

### B. Eviction Expenses Reimbursement

1. In connection with a **Claim**, and in accordance with the **Lease Co-Guarantee Agreement**, **We** shall pay **You** those costs and expenses (except those costs and expenses outlined in Section IV(B)) incurred by **You** (on behalf of the **Principal**, and if necessary, in the name of the **Principal**) to evict the **Tenant**. The **Surety's** obligations to pay those costs and expenses incurred by **You** to evict the **Tenant** shall not extend beyond (1) year from the date of the **Claim**.

### C. Malicious Tenant Damage Court Order Reimbursement

1. If the **Claim** includes unpaid **Malicious Tenant Damage Court Order Reimbursement**, the **Obligee** shall provide **Us** with a copy of the Plaintiff's claim against and the court-ordered judgement against the defendant (Tenant);
2. Upon entry by a court of competent jurisdiction of an order or judgment ordering a **Tenant** to pay for **Loss** and **Malicious Tenant Damage**, and subject to any applicable sublimit, the **Surety** shall indemnify the **Obligee** for the cost incurred to repair the **Malicious Tenant Damage**. The **Surety's** obligation to indemnify the **Obligee** under this **Bond** for the cost incurred to repair **Malicious Tenant Damage** is within and not in addition to the **Penal Sum**.

## II. DEFINITIONS

- A. **Bond** means this Rental Income Performance Bond.
- B. **Claim** means a demand for payment under Sections 1(A), (B) and (C) above by an **Obligee** under this **Bond**. Any **Claim** shall include all reasonably available information including but not limited to:
  1. the **Property** involved;
  2. the circumstances upon which the **Claim** is based;
  3. the **Obligee** shall provide **Us** with a copy of this **Bond**, **Lease Co-Guarantee Agreement**, and **Tenancy Agreement** and any applicable documentation in support of the **Claim**;
  4. the **Obligee** shall provide **Us** with a copy of the **Notice of Eviction** delivered to the **Tenant** in accordance with applicable law and the **Tenancy Agreement**;
  5. the **Obligee** shall provide **Us** in the event of for **Malicious Tenant Damage Court Order Reimbursement Claim**, a description of how, when and where the damage occurred, and a copy of the with a copy of the Plaintiffs Claim against the **Tenant** and the court-ordered judgement against the **Tenant**;
- C. **Eviction Expenses Reimbursement** means the amount of **Loss of Eviction Expenses** incurred by an **Obligee** to evict a **Tenant** in accordance with the **Lease Co-Guarantee Agreement**. The maximum amount of **Loss of Eviction Expenses** payable by **Us** is (USD 1,500.00) and shall only be paid to **You** if the **Tenant** has vacated the **Property** within one hundred twenty (120) days of **Your** service of the **Notice of Eviction**.
- D. **Loss of Rent Reimbursement** means the amount of the **Loss of Rent** owed to an **Obligee** according to the **Lease Co-Guarantee Agreement**. **Loss of Rent** shall not include late fees or penalties.

- E. **Malicious Tenant Damage Court Order Reimbursement** means the amount of the **Loss of unpaid Malicious Tenant Damage Court Order Judgements** owed to an **Obligee** according to the **Lease Co-Guarantee Agreement**. The **Malicious Tenant Damage Court Order Judgement Loss** shall not include late fees or penalties imposed by the court or the **Obligee**.
- F. **Lease Co-Guarantee Agreement** means the valid and binding agreement between the **Principal** and the **Obligee**.
- G. **Loss of Rent** means the **Defaulted Tenant Rent** payable in accordance with the **Tenancy Agreement** and **Lease Co-Guarantee Agreement**. **Loss of Rent** does not include any amounts the **Obligee** has charged or levied on the **Tenant** for taxes, utilities, or any services.
- H. **Notice of Eviction** means the **Obligee** has served the **Tenant** residing in an **Obligee's** **Property** with a valid **Notice of Eviction** in accordance with government regulations and the **Lease Co-Guarantee Agreement**.
- I. **Obligee Default** means that the **Obligee** has breached any material term of the **Lease Co-Guarantee Agreement** or has failed to comply with the **Obligee DUTIES AND CONDITIONS** of this **Bond**.
- J. **Premium** means the amount paid to the **Surety** by the **Principal**.
- K. **Principal's Fees** means the amount of fees the **Obligee** is required to pay the **Principal** in accordance with the **Lease Co-Guarantee Agreement**.
- L. **Tenancy Agreement** means a valid and binding tenancy agreement for a **Property** for at least twelve (12) months, which complies with the applicable law in the jurisdiction where the **Property** is located.
- M. **Tenant** means the person or persons that entered into a **Tenancy Agreement** for the applicable **Property** with the **Obligee**.
- N. **Tenant Rent Default** means the **Tenant's** failure to pay rent when due for the **Property** under the **Tenancy Agreement**.
- O. **Term** means the **Term** as defined under the **Lease Co-Guarantee Agreement**.
- P. **Property** means a legal residential rental **Property** registered by the **Obligee** with the **Surety** and as defined under the **Lease Co-Guarantee Agreement**.
- Q. **We, Us, and Our** refers to the **Surety**.
- R. **Year** means 12 months beginning on the effective date of the **Bond** period and any renewal.
- S. **You and Your** refers to the **Obligee**.

### III. EXCLUSIONS

The **Surety** has no obligation under this **Bond** for any **Loss or Rent Reimbursement**, or **Loss of Malicious Tenant Damage Court Order Reimbursements**, or **Loss of Eviction Expenses Reimbursements**:

- A. that arises directly or indirectly from a **Property**, or any part of it, being rendered uninhabitable for any reason;
- B. that arises directly or indirectly from the **Obligee's** violation of any applicable law or regulation;
- C. that arises directly or indirectly from the **Obligee's** refusal to accept the applicable **Rent** from the **Tenant** or **Loss of Rent Reimbursement** from the **Principal**;
- D. that arises directly or indirectly from the **Obligee's** refusal to accept the applicable court-ordered award payment from the **Tenant** or **Loss of Malicious Tenant Damage Court Order Reimbursement** from the **Principal**;
- E. That arises directly or indirectly from the **Obligee's** refusal or failure to serve a valid **Notice of Eviction** on a defaulting **Tenant** according to the **Lease Co-Guarantee Agreement**;
- F. that arises directly or indirectly from any dishonest, fraudulent, criminal, or illegal act or omission by the **Obligee**;
- G. for any damage or injury;
- H. that arises directly or indirectly from acts of God, defective products, atomic bomb explosion (or any other release of nuclear energy), war (whether declared or not declared), invasion, act of foreign enemy, hostilities, civil war, rebellion, civil commotion, riot, revolution or military or usurped power, or any government enacted Stay in Place declarations, state of emergencies, suspension of evictions, public gatherings, business closures, or court services.
- I. they are covered by any other policy of insurance, whether collectible or not.

### IV. GENERAL CONDITIONS

- A. Bond Territory

This **Bond** applies to a **Property** located anywhere in the United States of America.

- B. Assistance and Cooperation.

**Obligee** shall fully cooperate with the **Surety** in all matters about a **Claim**. **Obligee** at their own cost and expense, shall promptly execute and deliver such documents and instruments, provide such information and assistance, and promptly take any

other action to assist in resolving any **Claim**, including facilitating an inspection of the applicable **Property**, and to remedy or mitigate any **Lease Co-Guarantee Agreement Default** and/or **Tenant Default**.

C. Timely Claim

1. **Obligees' claims** shall be submitted to the **Surety** within thirty (30) days from the **Lease Co-Guarantee Agreement Principal Default's** date. Failure by an **Obligee** to submit a **Claim** within thirty (30) days from the date of **Lease Co-Guarantee Agreement Principal Default** relieves the **Surety** of its obligations under the **Bond** for the **Claim**.

D. Legal Action Against Us

No one may bring a legal action against **Us** under this **Bond** until at least ninety (90) days after a **Claim** has been submitted to the **Surety** and unless:

1. There has been full compliance with all the terms of this **Bond**; and
2. The action is brought within two (2) years and one day after the cause of action accrues.

E. Concealment, Misrepresentation, Or Fraud

**We** may cancel this **Bond** in the event of any fraud, or concealment or misrepresentation of any material fact or circumstance by the **Obligee** concerning:

1. This **Bond**; or
2. A **Claim**.

In such circumstances, **We** shall also retain any premium paid by the Principal under the **Bond**. Further, if **We** made any payment and such payment was not required in accordance with the terms and conditions of this **Bond**, then **We** shall be entitled to recover the appropriate amount **We** paid.

F. Conformance to Statute

If any terms of this **Bond** conflict with any applicable statute or regulation, such terms are hereby amended to conform to that statute's minimum standards or regulation.

G. Bankruptcy

**You** or **Your** estate's bankruptcy or insolvency shall not relieve **Us** of any obligation under this **Bond**.

## H. Titles of Paragraphs

Titles of paragraphs in this **Bond** are inserted solely for convenience of reference and shall not be deemed to limit, expand or otherwise affect the provisions to which they relate.

## I. Assignment

This **Bond**, any rights provided by this **Bond** and any proceeds payable under this **Bond** are not assignable without **Our** written consent.

## J. Entire Contract – Amendments

1. The terms of this **Bond**, including any attached endorsements, constitute the entire contract.
2. No waiver or change of the terms of this **Bond** will be made except by endorsement issued by **Us** and made a part of the **Bond**.

## K. Notices

All notices required to be given to the **Surety** under this **Bond**, other than a **Claim**, shall be addressed to the following:

1. Pensio Risk Management Corp.  
Principal  
9205 W. Russell Rd, Building 3, Suite 240  
Las Vegas, NV 89148  
Attention: Dimitris Milankov, Director  
Email: [j.milankov@pensioglobal.com](mailto:j.milankov@pensioglobal.com)
2. World Insurance Associates LLC  
656 Shrewsbury Avenue, Suite 200  
Tinton Falls, NJ 07701  
Attention: Kishan Alexander, Vice President Business  
Email: [kishanalexander@worldinsurance.com](mailto:kishanalexander@worldinsurance.com)
3. Rentalis Insurance Company, Inc.  
100 Oxmoor Road, Suite 110  
Birmingham, AL, 35209 USA  
Attention Joseph Marcantel, Director  
Email: [jmarcantel@rentalisinsurance.com](mailto:jmarcantel@rentalisinsurance.com)

## L. Subrogation and Recoveries

1. If **We** make any payment under this Bond, **We** will be subrogated to all rights and remedies against any **Tenant**, person, corporation or organization legally liable for the **Loss of Rent** or **Loss of Malicious Tenant Damage Court Order**

**Reimbursement or Loss of Eviction Reimbursement.** You shall execute all papers required and shall do everything necessary to secure and preserve such rights.

2. After a payment by **Us** under this **Bond**, all amounts recovered by **Us** or the **Obligee** will become the Property of **Surety**, subject to the extent of **Our** payment, and shall be paid to **Us**.

M. Arbitration

Any dispute relating to the **Bond**, or the breach of it, shall be subject to binding arbitration in accordance with the provisions of the Federal Arbitration Act (9 U.S.C. § 1, et seq.) and of the Commercial Arbitration Rules of the A.A.A. then in effect (the "Rules"), and judgment on the award rendered by the arbitrator(s) may be entered in any court of competent jurisdiction. The arbitration shall be heard before one or more arbitrator(s) is selected according to the Rules. The parties agree to conduct the arbitration in Fort Worth, Texas. The arbitrator(s) may only award direct damages and may not award consequential, exemplary, or punitive damages.

N. No Rights Afforded to Third Parties

Nothing in this **Bond** shall be construed to create or give rise to any right, remedy, claim, duty, or liability to any person or entity other than the **Obligee** or their heirs, executors, administrators, and successors and assigns.

O. Underwriting Judgment

The **Surety** reserves the right, in its sole discretion, to refuse to accept or renew, or accept on special terms **Bond** obligations for any **Obligee**.

P. Governing Law

This **Bond** shall be governed by and construed in accordance with the laws of the State of Nevada.

V. **BOND CANCELLATION AND NONRENEWAL**

A. **We** may cancel this **Bond** by mailing or delivering to **You** written notice at least:

1. Ten (10) days before the effective date of cancellation if **We** cancel for nonpayment of **Principal's Fees**; or
2. The **Bond Period** shall end on the effective date specified in the **Lease Co-Guarantee Agreement**.

B. **You** may cancel this **Bond** by mailing to **Us**, by registered or certified mail, ninety (90) days prior written notice stating when such cancellation will be effective.



- C. Any notice of cancellation or nonrenewal will be mailed or delivered to **Our** last mailing address. If notice is mailed, proof of mailing will be sufficient proof of notice.
- D. **Our Bond** will continue until the expiration of the **Term** under the applicable **Lease Co-Guarantee Agreement**.
- E. If this **Bond** is cancelled, no **Premium** paid by the Principal to Us and the **Principal's Fees** paid to the **Principal** by **You** shall be refunded.
- F. Unless cancelled by **the Principal** for non-payment of the **Principal's Fees** by **You**, this **Bond** will automatically renew for additional 12-month periods on each **Bond Period** anniversary date.

**VI. OBLIGEE DUTIES AND CONDITIONS**

As a condition precedent to **Our** obligations under this **Bond**, **You** shall have the duties and obligations outlined in this Section. **You** shall:

- A. Pay all **Principal's Fees** when due;
- B. Cooperate with **Our** investigation as it relates to this **Bond** and any Claim.

This Bond is signed by the Authorized Signing Officer of the Surety. If required by state or federal law, this Bond shall not be valid unless countersigned by its authorized representative.

\_\_\_\_\_  
Authorized Signing Officer  
Rentalis Insurance Company  
I am authorized to bind this entity

### Service of Suit Clause

This Service of Suit Clause will not be read to conflict with or override the parties' obligations to arbitrate their disputes as provided for in any Arbitration provision within this **Bond**. This Clause is intended as an aid to compelling arbitration or enforcing such arbitration or arbitral award, not as an alternative to such Arbitration provision for resolving disputes arising out of this **Bond**.

It is agreed that in the event of the failure of **Us** to pay any amount claimed to be due under this **Bond**, **We**, at the request of the **Principal** and/or **Obligee**, will submit to the jurisdiction of a Court of competent jurisdiction within the United States. Nothing in this Clause constitutes or should be understood to constitute a waiver of **Our** rights to commence an action in any Court of competent jurisdiction in the United States, to remove an action to a United States District Court, or to seek a transfer of a case to another court as permitted by the laws of the United States or any State in the United States.

It is further agreed that service of process in such suit may be made upon

Brackett & Ellis, P.C., 100 Main Street, Suite 400, Fort Worth, Texas 76102-3008.

In any suit instituted upon this **Bond**, **We** will abide by the final decision of such Court or any Appellate Court in the event of an appeal.

Those named above are authorized and directed to accept service of process on behalf of **Us** in any such suit.

Further, according to any statute of any state, territory or district of the United States which makes provision, therefore, **We** now designate the Superintendent, Commissioner or Director of Insurance or other officer specified for that purpose in the statute, or his successor or successors in office, as its true and lawful attorney upon whom may be served any lawful process in any action, suit or proceeding instituted by or on behalf of the **Principal** and/or **Obligee** arising out of this **Bond**, and designate those named above as the person to whom the said officer is authorized to mail such process or a true copy thereof.

<insert bond number>