PARTNERSHIP FOR COMMERCIAL INSURANCE & RISK MANAGEMENT

USI FLOODSAFE PROGRAM

THE USI ONE ADVANTAGE®

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USI®

USI FLOODSAFE PROGRAM

Executive Summary

USI has developed a niche Private Flood program designed as an option to offer private flood policies with higher coverage than available through the National Flood Insurance Program (NFIP) at more competitive rates & with expanded coverage options.

CONTROL + COST + COVERAGE

Why is it Important

- Floods are the nation's most common and costly natural disaster.
- Our team can help you evaluate your flood risk and determine whether the NFIP or a private flood policy is most appropriate for your needs. Our private flood policy is accepted by lenders nationwide.
- Private flood policies offer higher coverage than the NFIP and in many cases have lower rates – a much more cost-effective way to buy flood insurance.
- Our Private Flood program can turn around quotes more timely than the NFIP.

Impact and Benefits to Clients

- We can provide up to 10x the commercial limit and 20x the residential limit offered through the NFIP with a maximum limit of $5M available.
- Business Income/Loss of Use coverage available.
- Ability to combine multiple locations on a single policy, meeting limit needs which exceed those available through the NFIP thereby reducing gaps in coverage.

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USI FloodSafe Program – Higher Limits

Maximum Limit Available

Residential

NFIP

Maximum limits are $250,000 for Building and $100,000 for Contents.

USI's Approach

Maximum limits are $5,000,000 (Building & Contents Combined).

Financial Impact

Reduced uncovered losses and out of pocket claims expenses by up to $4,650,000.

Commercial

NFIP

Maximum limits are $500,000 for Building and $500,000 for Contents.

USI's Approach

Maximum limits are $5,000,000 (Building, Contents, and Business Income combined).

Financial Impact

Reduced uncovered losses and out of pocket claims expenses by up to $4,000,000.

USI FloodSafe Program – Premium Savings

Rate Increases in the NFIP

NFIP

Being a government Program, NFIP has to accept a massive pool of risks (good and bad), as a result, it has constant rating increases due to multiple large losses.

USI's Approach

Being a private program, we have the ability to manage the risk profile acceptance into the program (good risks), which allows us to provide stable premium over long periods of time.

Financial Impact

Premium saving up to 20% for the same limits. The insured can also properly budget their flood insurance premium for following years.

Case Study:

$8.7mm TIV building in Miami, FL which is currently written with the NFIP for $18,535. The NFIP renewal came in over $23,000. We were able to match the NFIP limits ($500K) at a premium savings of over $1,500.

USI FloodSafe Program – BI Coverage

Business Income Coverage Available

NFIP

Business Income Coverage is not available on NFIP placements.

USI's Approach

Being a private program, we are able to cover Business Income losses which result from a direct loss from flooding up to 50% of the building limit insured.

Financial Impact

Eliminate loss of income exposure due to flood up to $2mm.

Case Study:

Our client who has a Commercial Property was previously placed through the NFIP with $0.5mm limit. After switching over to our program, we increased their building limit to $2.0mm, and added $1.0mm in Business Income coverage, for the same premium they were paying for their previous NFIP policy.

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Additional Coverage Advantages

Residential

	Residential NFIP	Residential USI FloodSafe	Impact
Maximum Limit Available	▪ $250,000 Building ▪ $100,000 Contents	**$5,000,000** (Building & Contents Combined)	Reduces uncovered losses and out of pocket claims expenses up to an additional $4,650,000.
Business Income Available	N/A	N/A	N/A
Replacement Cost Valuation	No	Available for additional premium	Provides a reduction of out-of-pocket expense to replace older dwellings/contents.
Multiple Locations on a Single Policy	No	Yes	Eliminates management of single location policies.
High Deductible Options Available	No	Yes	Results in lower annual premiums.
Accepted by Lenders	Yes	Yes	Mandatory acceptance by lenders results in a smooth transition for the insured.

Commercial

	Commercial NFIP	Commercial USI FloodSafe	Impact
Maximum Limit Available	▪ $500,000 Building ▪ $500,000 Contents	**$5,000,000** (Building, Contents, & **Business Income** Combined)	Reduces uncovered losses and out of pocket claims expenses up to an additional $4,000,000.
Business Income Available	No	**Yes**	Reduces uncovered losses and out of pocket claim expenses resulting from loss of income.
Replacement Cost Valuation	No	Available for additional premium	Provides a reduction of out-of-pocket expense to replace older buildings/contents.
Multiple Locations on a Single Policy	No	Yes	Eliminates management of single location policies; can reduce limits required by lenders resulting in premium savings.
High Deductible Options Available	No	Yes	Results in lower annual premiums
Accepted by Lenders	Yes	Yes	Mandatory acceptance by lenders results in a smooth transition for the insured.

Next Steps to Get Started with USI:

- Safehold Private Flood Application (limited)
- Current Declarations page (optional)