

# Private Flood Products

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# Private Flood Products

## EZ Flood™

EZ Flood is a private flood insurance option offered to residential properties located in a qualifying geographical area and is located in any A Zone. EZ Flood is an alternative to the NFIP and a source for purchasing mandatory flood insurance.

### Frequently Asked Questions

- Q: In what states will EZ Flood be available?**  
A: Any state will be eligible for an EZ Flood policy except AK, HI, KY and the District of Columbia
- Q: In what flood zones will EZ Flood be available?**  
A: EZ Flood is only available in A zones at this time.
- Q: What is the minimum and maximum amount of coverage that an insured can purchase on building and contents?**  
A: \$750,000 maximum coverage on the structure can be purchased and \$200,000 maximum coverage on contents can be purchased.
- Q: Will my coverage be cancelled/dropped when I have a claim?**  
A: No, EZ Flood coverage will not be terminated automatically upon the occurrence of a covered loss.
- Q: What is the difference between EZ Flood and an NFIP Flood policy?**  
A: EZ Flood matches or exceeds the flood coverage offered through the NFIP. The EZ Flood policy contains the same definitions, exclusions and limitations as found in the NFIP product. Additionally, EZ Flood also covers loss from catastrophic ground collapse.
- Q: What is considered to be catastrophic ground collapse?**  
A: Covered catastrophic ground collapse occurs when sudden or abrupt collapse to ground cover, observable with the naked eye, causes structural damage to the property resulting in the condemnation or an order requiring the property be vacated. If these conditions are met, EZ Flood pays the loss subject to the policy deductible and loss limitation detailed in the policy and summarized on the declarations page.
- Q: Can I add FloodWrap to my EZ Flood policy?**  
A: Currently FloodWrap coverage is not available for EZ Flood policies.
- Q: Can I buy Excess coverage with my EZ Flood policy?**  
A: No, currently standard excess flood insurance is not available with EZ Flood.
- Q: How does an insured purchase this policy?**  
A: The flood insurance platform automatically identifies those properties eligible for EZ Flood. Agents can quote this policy now through FloodPro and AccessFlood.
- Q: I was able to quote an EZ Flood policy before and now I am not able to, what happened?**  
A: EZ Flood eligibility is based on property location and certain property characteristics. Eligibility will vary by risk.

# Private Flood Products

## Underwriting Questions

1. **Q: What does EZ Flood cover or not cover?**  
A: Coverage is the same with EZ Flood as the coverage offered by the NFIP with the addition of coverage for catastrophic ground collapse.
2. **Q: Will lenders accept a policy issued through EZ Flood?**  
A: Yes. Lenders recognize EZ Flood as acceptable flood insurance. Agents should advise if any lender responds differently, and we will work directly with that mortgage servicer to confirm acceptance of EZ Flood.
3. **Q: What are the benefits of EZ Flood?**
  - A) You are able to obtain a quote without an elevation certificate and without providing property photographs.
  - b) Coverage limits exceed the coverage limits offered by the NFIP
  - c) Coverage may be effective immediately in some instances.
  - d) Underwriting requires responses to only a handful of questions to prepare a premium indication.
  - e) EZ Flood is not subject to federal surcharges or reserve fund assessments, and may be cheaper to purchase than NFIP flood insurance.
4. **Q: Do you recommend EZ Flood over an NFIP policy?**  
A: We are unable to advise you one way or the other. You will need to discuss the options with your insured and it will be between the homeowner and you as their agent to determine which policy best meet their needs.
5. **Q. Can I purchase an EZ Flood policy as well as an NFIP flood policy?**  
A: No, the EZ Flood policy is an alternative to the NFIP flood policy.
6. **Q: Who underwrites EZ Flood?**  
A: EZ Flood is written by certain syndicates participating in the Lloyd's of London marketplace and by ACE Group, a domestic surplus lines insurance carrier.
7. **Q: Why is EZ Flood not an option for every flood quote?**  
A: EZ Flood is designed to provide a simple flood underwriting solution to specific properties. Not every property and not every property location qualifies for the EZ Flood product.
8. **Q: Is there a waiting period for the EZ Flood policy to go into force?**  
A: EZ Flood has 15 day waiting period for coverage to go into force, unless purchased at the same time as the insured purchases a homeowners policy, in which case EZ Flood takes effect immediately.
9. **Q: How should I report a claim on my EZ Flood policy?**  
A: The claims reporting number is provided on the declaration page. The policyholder can contact that number directly, or contact their agent to report the claim.

# Private Flood Products

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## Payment and Processing Questions

1. **Q: What are the payment options for EZ Flood?**
  - A) Check or Money Order by mail; or,
  - B) Electronic remittance of check via V-Check
  
2. **Q: How long is the policy effective?**

A: The term is effective for one year.
  
3. **Q: Can I cancel this policy at any time and for any reason?**

A: Yes, you may cancel EZ Flood for any valid reason allowed by the NFIP.
  
4. **Q. What is the electronic address for submission of any EZ Flood documents?**

A: [EZ Flood@nationalfloodservices.com](mailto:EZFlood@nationalfloodservices.com)

# Private Flood Products

## How does an agent sell EZ Flood?

1. **Q: Does the agent need to be licensed to offer EZ Flood?**

A: Agents representing WYO's who have authorized the sale of EZ Flood need to be licensed to sell property insurance and need to be contracted with Advanced Insurance Coverages, Inc. Agents may obtain an indication of the premium without being contracted. Agents will then receive direction on what documentation is required to become contracted and where to submit that documentation.

2. **Q: What documents are required from me to enter into contract to write EZ Flood?**

A) Exclusive Agents:

i. Signed and dated W-9

B) Independent Agents:

i. Producer Brokerage Agreement

ii. Signed and dated W-9

iii. Agency License

iv. Agent/Producer License

v. E&O Documentation

vi. List of agency officers', owners' or managing members' names, titles and contact information

3. **Q: What do you require for support of the agency E&O cover?**

A: Please provide either a declaration page or Certificate of Insurance indicating that E&O includes all entity names indicated on the Producer Brokerage Agreement and that coverage meets our **minimum** coverage limits of \$1 million each claim, \$1 million aggregate. We do not deviate from our minimum required limits.

4. **Q: Who pays the commission on these products?**

A: Advanced insurance Coverages, Inc. DBA Axcels Insurance Agency.

5. **Q: When will the agent receive their commission after they write a private flood product?**

A: Commission checks are mailed the fifth (5<sup>th</sup>) business day of the month that follows the month the policy is issued.

6. **Q: Who is responsible for paying taxes and fees?**

A: Advanced Insurance Coverages, Inc. ensures that fees and taxes are paid, and all policies and reports are filed.

# Private Flood Products

## FloodWrap™

FloodWrap™ as the name implies is an insurance product that wraps around the standard flood policy issued by the NFIP. It is designed to fill coverage gaps that exist in the NFIP product today, providing coverage that homeowners have become accustomed to in their HO3 policies, like loss of use, outdoor property, and basement coverage.

FloodWrap is designed to supplement the NFIP flood policy and provide comprehensive flood protection, exposing the insured to less financial risk.

- Pays Loss of Use/Temporary Living Expenses, up to \$100 per day, or \$2,000 per month, for a maximum of \$20,000 per occurrence, if your home is flooded due to a covered loss and declared unlivable
- Pays up to \$5,000 for personal property and for real property damage in basements per occurrence
- Complements your NFIP policy by providing increased amounts on your current coverage limits
- Offers optional Excess flood that provides coverage up to \$500,000 above NFIP's limit of \$250,000 for a maximum of \$750,000!\*

\*Please refer to FloodWrap form for complete description and limits of coverages.

## Frequently Asked Questions

- Q: What additional coverage does FloodWrap offer?**
  - A) Loss of Use / Temporary Living Expense Coverage—provides up to \$20,000 coverage
  - B) Personal Property & Real Property in Basements of Post Firm Risks—extends coverage up to \$5,000
  - C) Loss Avoidance Measures—provides up to \$1,500 in coverage after primary flood policy limits are exhausted.
  - D) Underground Septic Tank Cleaning—provides up to \$500 for pumping of the septic tank
  - E) Limited Mobile Equipment—
    - i. Golf Carts—provides up to \$2,500 coverage
    - ii. Trailers—provides \$1,000 in coverage
    - iii. Increase Cost of Compliance—provides up to \$10,000 after primary flood policy limits are exhausted
  - F) Additional Property—\$2,500 for Decks or Handicapped Ramps
  - G) Optional Excess Flood Coverage—for building coverage up to \$500,000
- Q: Does excess coverage come with FloodWrap automatically?**

A: FloodWrap Excess is an optional coverage that can be purchased at the same time as FloodWrap.
- Q: How does an insured purchase this policy?**

A: The NFIP flood quoting platform automatically identifies those properties eligible for FloodWrap. Insurance agents quote the FloodWrap policy on the site normally accessed to purchase the primary flood policy. The primary flood policy must have a minimum of \$100k building / \$50k contents.
- Q: Is this product part of FEMA or is this a private product?**

A: This is not a FEMA/NFIP product. FloodWrap is made available through a non-admitted Surplus Lines carrier.
- Q: Where is the FloodWrap product available for purchase?**

A: For right now FloodWrap is available in CA, FL, NJ, and TX. FloodWrap will be available in most other states by the end of the 2015 calendar year.

# Private Flood Products

## Underwriting Questions

- 1. Q: We already offer excess flood coverage, so does this replace that product?**

A: This is an additional protection available as an option to the FloodWrap policy. FloodWrap allows for Excess Flood to be written as part of the coverage bundle as a single insurance contract. The coverage level for this excess is limited to \$500,000 and allows the agent to write flood coverage up to \$750,000.
- 2. Q: Where do I quote this product?**

A: The quoting process is now integrated as part of FloodPro and Access Flood.
- 3. Q: Can I add FloodWrap on top of the NFIP policy at mid-term?**

A: Yes, by endorsement.
- 4. Q: Is there a waiting period on this product just like the NFIP?**

A: Yes. There is a 30 day wait; however, if the FloodWrap policy is purchased at the same time as the NFIP policy the effective date will be the same as the primary flood policy.
- 5. Q: Will the claims process be the same as NFIP?**

A: The claims process will be aligned with the NFIP claim process. Either NFS or the insurer will coordinate the claims process for both products to ensure a seamless claims process.
- 6. Q: How are claims submitted and paid?**

A: First notice of loss follows the same process as today. We flag any NFIP policy that has FloodWrap attached and a FloodWrap claim should be set up at the same time. However, the claim will be managed in a separate system so any phone calls regarding an active claim will need to be directed to the Claims Department.
- 7. Q: Does FloodWrap have to be attached to the NFIP policy or can it be purchased alone?**

A: FloodWrap and FloodWrap Excess must be written above the NFIP flood policy. Should the NFIP policy cancel, we will not be able to offer renewal of the FloodWrap policy.
- 8. Q: Is FloodWrap unique? Can we purchase it elsewhere?**

A: FloodWrap is unique in providing complementary, high demand coverages serving the broader market. This product is only available through FloodChoice.
- 9. Q: What are the details of the Loss of Use / Additional Living Expense feature and how does it work?**

A: Loss of use pays up to \$100 per day, not to exceed \$2,000 per month or a total of \$20,000 per occurrence. There is also civil authority additional living expense up to \$100 per day after a 24 hour period (up to a maximum of 5 days), to accommodate the insured in the event they are evacuated.
- 10. Q: Can I cancel FloodWrap at any time and for any reason?**

A: FloodWrap can be cancelled for any applicable valid reason allowed by the NFIP.

# Private Flood Products

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## Payment and Processing Questions

**1. Q: Can you buy FloodWrap without FloodWrap Excess Coverage?**

A: Yes. We have two excess flood products available now.

- i. The optional FloodWrap Excess Flood Product, which provides building coverage up to \$500,000 on top of the NFIP \$250,000.
- ii. Higher excess limits, and excess contents coverage can be obtained, with or without FloodWrap, with our standard excess flood product.

**2. Q: Who is responsible for paying taxes and fees?**

A: Excess/Surplus lines taxes and fees vary by state and are separately itemized and charged on the quotation and the declaration page and paid by the insured. Advanced Insurance Coverages, as the broker, ensures that the fees and taxes are properly reported and paid to the state.

**3. Q: What are the payment options?**

A: You may pay via:

- i. Check or Money Order by mail; or,
- ii. Electronic remittance of check via V-Check

**4. Q: What is the mailing address for submission of excess flood paperwork and new, renewal and endorsement premiums?**

A: Advanced Insurance Coverages, Inc.  
7301 Wiles Rd, Ste. 202  
Coral Springs, FL 33067

- i. Documents may also be submitted via email:  
floodwrap@nationalfloodservices.com
- ii. Payments may be submitted electronically using V-check

# Private Flood Products

## How does an agent sell FloodWrap?

**1. Q: How does an agent become authorized to sell FloodWrap?**

A: Agents representing WYO's who have authorized the sale of FloodWrap need to be licensed to sell property insurance and need to be contracted with Advanced Insurance Coverages, Inc. Agents may obtain an indication of the premium without being contracted. Agents will then receive direction on what documentation is required to become contracted and where to submit that documentation.

**2. Q: What documents are required from me to enter into contract to write FloodWrap?**

A) Exclusive Agents:

- i. Signed and dated W-9

B) Independent Agents:

- i. Producer Brokerage Agreement
- ii. Signed and dated W-9
- iii. Agency License
- iv. Agent/Producer License
- v. E&O Documentation
- vi. List of agency officers', owners' or managing members' names, titles and contact information

**3. Q: Who pays the commission on these products?**

A: Advanced insurance Coverages, Inc.  
DBA Axcel Insurance Agency.

**4. Q: When will the agent receive their commission after they write a private flood product?**

A: Commission checks are mailed the fifth (5<sup>th</sup>) business day of the month that follows the month the policy is issued.

**5. Q: Who is responsible for paying taxes and fees?**

A: Advanced Insurance Coverages, Inc. ensures that fees and taxes are paid, and all policies and reports are filed.

# Private Flood Products

## Standard Excess

### Frequently Asked Questions

#### Underwriting Questions

1. **Q: Which states do you offer Excess Flood?**  
A: We write in all states, *except Alaska, Kentucky, New York and District of Columbia.*
2. **Q: What is the maximum coverage limit available for purchase?**  
A: \$5 million, with building and contents combined and never higher than the replacement cost less the primary limits.
3. **Q: What is the available maximum replacement cost of the building?**  
A: \$10 million. We are working on increasing this limit. Please check back for further updates.
4. **Q: When is the soonest Excess Flood coverage may be bound by AIC?**  
A: We bind coverage the day after receipt of all required documents and full payment, as long as the primary policy is in force, the agency is contracted by AIC and the AIC Underwriter binds the coverage.
5. **Q: What is the deductible for an Excess Flood policy?**  
A: There is no additional deductible for excess flood. Excess flood coverage pays for all covered loss incurred above the applicable NFIP coverage limits.
6. **Q: Is there a minimum premium?**  
A: Yes, \$350 plus fees and taxes, *except in North Carolina and Connecticut.*
  - i. \$1,000 plus fees and taxes in Connecticut
  - ii. \$2,500 plus fees and taxes in North Carolina
7. **Q: Is there a minimum earned premium?**  
A: Yes, once bound, the minimum earned premium is 25% in all states, except Florida
  - i. In Florida, it's 50% plus fees and tax
  - ii. The policy fee is fully earned
8. **Q: What is the electronic address for remittance of any excess flood documents?**  
A: [excess@nationalfloodservices.com](mailto:excess@nationalfloodservices.com)
9. **Q: Can Standard Excess be written over Preferred Risk Policies (PRPs)?**  
A: Yes
10. **Q: Who is the carrier for Excess Flood?**  
A: Certain underwriters at Lloyd's, London — A.M. Best Rated A XV
11. **Q: Do you write negative elevations?**  
A: No
12. **Q: Is the difference between the Lloyds' "80% co-insurance clause" and the USA "80% co-insurance clause" important to understand?**  
A: Absolutely. This co-insurance clause is different from the USA 80% co-insurance clause. As long as the total insurable value (TIV) listed on the application is within 80% of the TIV at the time of the loss—there is no co-insurance penalty. However, if the TIV listed on the application is not within 80% of the TIV at time of loss, then the loss would be reduced in the same proportion that the value declared to 80% to the TIV at the time of said loss.

# Private Flood Products

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**13. Q: If the primary flood policy is using a grandfathered zone, will the Excess Policy be rated using that zone?**

A: No, the Excess Flood policy must be rated using the current flood zone rating as defined by the Flood Insurance Rate Map (FIRM).

**14. Q: Is coverage available for condominium buildings or units?**

A: No, we do not currently offer Excess Flood on condos.

**15. Q: Can I purchase contents coverage without purchasing building coverage?**

A: No, contents-only coverage is not available.

**16. Q: Is contents coverage available for non-residential properties?**

A: No, we only offer contents coverage for residential properties.

**17. Q: Is there a limit on the amount of contents coverage available?**

A: Yes, the maximum contents limit available for residential post-FIRM properties is 50% of the building, up to a maximum of \$1 million. The maximum contents limit available for residential pre-FIRM properties is 50% of the building, up to a maximum of \$250,000.

**18. Q: Can I write Excess Flood over an NFIP policy at mid-term?**

A: Yes

# Private Flood Products

## Payment and Processing Questions

1. **Q: When remitting the premium, who do I make my check payable to?**

A: If the property is in:

- i. CA or NY: Make the check payable to Axcel Insurance Agency
- ii. MI, MN, ND, NE, RI, RX, VA, WI: Make the check payable to Axcel Insurance Agency, Inc.
- iii. All Other States: Make the check payable to Advanced Insurance Coverages, Inc.

2. **Q: When remitting a check in payment for premium, do I remit the "Total Premium" amount?**

A: Yes, please do not deduct commission from your payment; this will delay binding the risk as the full premium, plus fees and taxes, are required.

3. **Q: What is the mailing address for submission of excess flood paperwork and new, renewal and endorsement premiums?**

A: Advanced Insurance Coverages, Inc.  
7301 Wiles Rd, Ste 202  
Coral Springs, FL 33067

- i. Documents may also be submitted via email: [excess@nationalfloodservices.com](mailto:excess@nationalfloodservices.com)
- ii. Payments may be submitted electronically using V-check

4. **Q: What are my Excess Flood premium payment options?**

A: You may pay via:

- i. Check or Money Order by mail; or,
- ii. Electronic remittance of check via V-Check

5. **Q: Who pays the Excess Flood commission?**

A: Advanced insurance Coverages, Inc. DBA Axcel Insurance Agency.

6. **Q: When will I receive my commission when I write an Excess Flood policy?**

A: Commission checks are mailed the fifth (5<sup>th</sup>) business day of the month that follows the month the policy is issued.

7. **Q: Who is responsible for paying taxes and fees?**

A: Advanced Insurance Coverages, Inc. ensures that fees and taxes are paid, and all policies and reports are filed.

# Private Flood Products

## How does an agent sell Standard Excess?

1. **Q: How does an agent become authorized to sell Standard Excess?**

A: Agents representing WYO's who have authorized the sale of Standard Excess need to be licensed to sell property insurance and need to be contracted with Advanced Insurance Coverages, Inc. Agents may obtain an indication of the premium without being contracted. Agents will then receive direction on what documentation is required to become contracted and where to submit that documentation.

2. **Q: What documents are required from me to enter into contract to write Standard Excess?**

A) Exclusive Agents:

- i. Signed and dated W-9

B) Independent Agents:

- i. Producer Brokerage Agreement
- ii. Signed and dated W-9
- iii. Agency License
- iv. Agent/Producer License
- v. E&O Documentation
- vi. List of agency officers', owners' or managing members' names, titles and contact information

1. **Q: What do you require for support of the agency E&O cover?**

A: Please provide either a declaration page or Certificate of Insurance indicating that E&O includes all entity names indicated on the Producer Brokerage Agreement and that coverage meets our **minimum** coverage limits of \$1 million each claim, \$1 million aggregate. We do not deviate from our minimum required limits.