



[Aon Edge – Private Flood Insurance FAQ]

EZ Flood[®] | Excess Flood

Table of Contents

EZ Flood 2

Excess Flood 3

Underwriting and Policy Coverage 4-5

Payment and Processing 6

How does an agent sell Aon Edge Private Flood Insurance 7

EZ Flood

EZ Flood is a private flood insurance option offered to single-family residential properties located in qualifying geographic areas. EZ Flood provides a simplified option to the NFIP for mandatory flood insurance. EZ Flood is a surplus lines product financially backed by A.M. Best “A” rated carriers.

1. Q: In what states is EZ Flood available?

A: EZ Flood is available in all states except Alaska, DC, Hawaii, and Kentucky.

2. Q: In what flood zones is EZ Flood available?

A: EZ Flood is available in any “A” flood zone.

3. Q: Will lenders accept a policy issued through EZ Flood?

A: Yes. Lenders recognize EZ Flood as acceptable flood insurance. Agents should advise Aon Edge Insurance Agency if any lender responds differently; we will work directly with that mortgage servicer to confirm acceptance of EZ Flood.

4. Q: What are the benefits of EZ Flood?

- A:
- Obtain a quote without an elevation certificate and without providing property photographs
 - Coverage limits exceed the coverage limits offered by the NFIP
 - In some instances, coverage may be effective immediately
 - Underwriting requires responses to only a handful of questions to prepare a premium indication
 - EZ Flood is not subject to federal surcharges or reserve fund assessments, and may be less expensive to purchase than NFIP flood insurance
 - Optional coverages available: Loss of use pays up to \$250 per day, not to exceed \$5,000 per occurrence for additional living expenses and \$500 food spoilage coverage. \$1,000 swimming pool clean-up protection..

Please feel free to contact us for specifics on your situation.

5. Q: What is maximum amount of coverage that an insured can purchase on building and contents?

A: \$750,000 maximum coverage on the structure; \$200,000 maximum coverage on contents.

6. Q: Will my coverage be cancelled/dropped when I have a claim?

A: EZ Flood mirrors many of the non-renewal, cancellation scenarios of the NFIP. There may be instances where a policyholder is cancelled or non-renewed following a claim.

7. Q: What is the difference between EZ Flood and an NFIP Flood policy?

A: The EZ Flood coverage provisions mirror or exceed that of the NFIP product. For details on cancellations, please refer to the policy jacket under Certificate Provisions.

8. Q: What is considered to be catastrophic ground collapse?

A: Covered catastrophic ground collapse occurs when a 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.

9. 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 varies by risk.

Excess Flood

Excess Flood offers coverage for both residential (except condominiums) and commercial properties above the NFIP maximum payout limits. Excess Flood is designed to supplement the NFIP flood policy and provides up to \$5 million of building and contents coverage with replacement cost value up to \$15 million.

1. Q: Which states do you offer Excess Flood?

A: Excess Flood is available in all states except Alaska, DC and Kentucky.

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: \$15 million.

4. Q: Can Excess Flood be written over Preferred Risk Policies (PRPs)?

A: Yes.

5. Q: Can I buy Excess coverage with my EZ Flood policy?

A: No, standard Excess Flood insurance is not available.

Underwriting and Policy Coverage

- 1. Q: What does EZ Flood cover?**

A: EZ Flood provides the same or greater coverage as the policy offered by the NFIP with the addition of coverage for catastrophic ground collapse.
- 2. Q: Do you recommend EZ Flood over an NFIP policy?**

A: Aon Edge Insurance Agency does not provide advice on which coverage to purchase. As an Agent, you should discuss the options with your insured to help them determine which policy best meet their needs.
- 3. Q: Can I purchase an EZ Flood policy as well as an NFIP flood policy?**

A: No, EZ Flood is an alternative to the NFIP flood policy.
- 4. Q: Who underwrites EZ Flood?**

A: EZ Flood is written by certain syndicates participating in the Lloyd's of London marketplace and by Chubb, a domestic surplus lines insurance carrier.
- 6. Q: Who is the carrier for Excess Flood?**

A: Certain underwriters at Lloyd's, London — A.M. Best Rated A.
- 7. Q: Is there a difference between the Lloyds' 80% co-insurance clause and the USA's 80% co-insurance clause and why is it important to understand?**

A: Yes, there is a difference. While this only applies to Excess Flood the 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.
- 8. 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 EZ Flood.
- 9. Q: Is there a waiting period for the EZ Flood policy to go into force?**

A: There is no waiting period if purchased during the loan closing; otherwise there is a 15-day waiting period.
- 10. 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.
- 11. Q: What is the deductible for an EZ Flood policy?**

A: The base deductible is \$5,000. The optional deductible (for premium) is \$2,000. Deductibles apply separately to building and contents coverage.
- 12. Q: What is the deductible for an Excess Flood policy?**

A: There is no additional deductible, Excess Flood coverage pays for all covered loss incurred above the applicable NFIP coverage limits.
- 13. Q: When is the soonest Excess Flood coverage may be bound by Aon Edge?**

A: Coverage is bound the day after receipt of all required documents and payment in full, as long as the primary policy is in force, the agency is contracted by Aon Edge and the Aon Edge Underwriter binds the coverage, weather permitting.
- 14. Q: Is there a minimum premium for Excess Flood?**

A: Yes, \$350 plus fees and taxes, except in North Carolina and Connecticut.

 - \$1,000 plus fees and taxes in Connecticut
 - \$2,500 plus fees and taxes in North Carolina
- 15. Q: Is there a minimum earned premium for Excess Flood?**

A: Yes, once bound, the minimum earned premium is 25% in all states, except Florida.

 - In Florida, it's 50% plus fees and tax
 - The policy administrative charge is fully earned after 15 days

16. Q: Do you write negative elections for Excess Flood?

A: No.

17. Q: If the primary flood policy is using a grandfathered zone, will the Excess Flood 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).

18. Q: Is Excess Flood coverage available for condominium buildings or units?

A: No, Excess Flood is not available for condominium buildings or units.

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

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

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

A: No, contents coverage is available only for residential properties.

21. 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.

22. Q: Can I write Excess Flood over a NFIP policy at mid-term?

A: Yes.

23. Q: Is EZ Flood and Excess Flood admitted or non-admitted?

A: EZ Flood and Excess Flood are non-admitted.

Payment and Processing

1. Q: How does an insured purchase a Aon Edge private flood insurance policy?

A: The flood insurance platform automatically identifies those properties eligible for EZ Flood or Excess Flood. Insurance agents can quote a policy on the site normally accessed to purchase the primary flood policy.

2. Q: What are the payment options for EZ Flood?

A: You may pay via:

- Credit card
- Check or money order by mail
- Electronic remittance of check via V-check

3. Q: What are the payment options for Excess Flood?

A: You may pay via:

- Check or money order by mail
- Electronic remittance of check via V-check

4. Q: When remitting the premium, whom do I make my check payable to?

A: Make the check payable to Aon Edge Insurance Agency, Inc.

5. Q: When remitting a check in payment for premium, do I remit the “Total Premium” amount?

A: Yes, please remit the required full premium, plus fees and taxes. Deducting commission will delay binding the risk.

6. Q: How long is the policy effective?

A: The term is effective for one year.

7. 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. Effective October 1, 2018, FEMA will allow the cancellation of an NFIP policy when a policyholder has obtained duplicate coverage from a private insurer. Policyholders will be eligible to receive a refund for the unearned portion of the cancelled NFIP policy..

8. Q: What is the electronic address for submission of any E documents?

A: EZ Flood@aon.com
Excess@aon.com

9. Q: What is the mailing address for submission of paperwork and new, renewal and endorsement premiums?

A: Aon Edge Insurance Agency, Inc.
555 Corporate Drive
P.O. Box 7822
Kalispell, MT 59904-7822

How does an agent sell Aon Edge- Private Flood Insurance?

1. Q: Does the agent need to be licensed to offer Aon Edge?

A: Yes. Agents representing WYO's who have authorized the sale of Aon Edge - private flood insurance must satisfy applicable licensing requirements of the jurisdiction that governs the transaction, which generally is the state where the subject property is located and must be contracted with Aon Edge Insurance Agency, 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 Aon Edge private flood insurance?

A: Exclusive Agents (varies by carrier):

1. Signed and dated W-9
2. Agency License
3. Agent /Producer License if transacting business in FL or ID

Independent Agents:

1. Producer Brokerage Agreement
2. Signed and dated W-9
3. Agency License
4. Agent /Producer License if transacting business in FL or ID
5. E&O Documentation
6. List of agency officers', owners' or managing members' names, titles and contact information

Requirements vary by individual so please contact us for the specifics of your situation.

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

A: Aon Edge Insurance Agency, Inc.

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

A: Commission checks are mailed the fifth business day of the month following the month the policy is issued.

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

A: Aon Edge Insurance Agency, Inc. ensures that fees and taxes are paid, and all policies and reports are filed.

6. Q: After an agent is contracted, what information is needed to complete quotes and pay for a policy?

A: In order to complete quotes and pay for a policy, agents will need:

- An email address (the same one you used to become contracted)
- The agency number you received when you were contracted
- The agency number is the unique identifier for your agency to complete quotes and purchase private flood insurance products
- Be sure to share this agency number with other agents in your office for their easy access to quotes and policy purchasing options

7. Q: What do you require for support of the agency E&O coverage?

A: We require either a declaration page or Certificate of Insurance stating that E&O includes all entity names indicated on the Producer Brokerage Agreement and that coverage meets minimum coverage limits of \$1 million each claim, \$1 million aggregate. Aon Edge Insurance Agency does not deviate from minimum required limits.