

Personal flood insurance coverage and limits

Chubb versus the Standard Flood Insurance Policy Dwelling Form (SFIP) under the National Flood Insurance Program (NFIP)



We offer protection the NFIP doesn't. When it comes to protecting your clients from the financial impact of a flood, you can't afford to take chances.

| Client's concern | Chubb personal primary insurance | Industry standard (NFIP) SFIP dwelling form |
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| What if there is flood damage to my property, but my neighbor's home is unaffected? | The policy applies to a covered flood, even if the flood is confined to just the insured property. | The SFIP defines 'flood' in part as 'inundation of two or more acres of normally dry land area or of two or more properties (one of which is your property)'. The SFIP also excludes coverage for 'loss caused directly or indirectly' by water damage that is substantially confined to the dwelling. |
| What is the highest limit of flood coverage available for a house and contents? | Up to \$15 million total property per location (buildings and contents). | For a single-family dwelling, up to \$250,000 for buildings and up to \$100,000 for contents. |
| Who will adjust my claim? | Both your homeowners and flood claim will be handled by the same Chubb adjuster. | The insurer that issues the SFIP and insurer that issues the homeowners policy will each assign their own adjusters to handle the loss. |
| Does the flood policy pay for the cost to meet local, state and federal flood requirements that may be imposed after a major flooding event? | Yes. Up to \$30,000 is included for costs to comply with floodplain management laws as well as costs to comply with any other law or ordinance. Increased coverage may be available for an additional premium.* | Yes. ² \$30,000 of coverage is included to comply with floodplain management laws. |
| What about costs to comply with other requirements, like updating old electrical wiring or plumbing damaged by flood? | | No. There is no coverage to meet any other requirements. SFIP excludes "any code upgrade requirements" such as plumbing or wiring that are "not specifically related to the State or local floodplain management law or ordinance. |
| Is a detached garage included as part of the home coverage? | Yes, on a replacement cost basis. | Allows for 10% of the building coverage to be allocated to a detached garage. Use of this coverage reduces the building limit of liability. |
| Is coverage available for non-attached structures such as barns, pool houses, and other structures on a property? | Yes, however, a separate policy is required. | Yes, however, a separate policy is required for any structure that is not considered "attached to and in contact" with the insured dwelling. |
| Are loss assessments from condo/co-op or homeowner associations included? | Yes, subject to the limits for assessments provided in the policy. | Yes, but only for condominium loss assessments. |
| Are contents claims paid on a replacement cost basis? | Yes, subject to the limits for assessments provided in the policy. | Yes, but only for condominium loss assessments. |
| Does the policy cover furniture, rugs, home theater systems, pool tables and other types of contents typically found in a finished basement? | Yes. Up to \$15,000 is included. Increased coverage may be available for an additional premium.* | No. Coverage is limited for property in a basement to "Air conditioning units, portable or window type, clothes washers and dryers, food freezers, other than walk-in, and food in any freezer." |

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| Does the policy cover built-in cabinetry, wet bars and saunas in a basement? | Yes. Up to \$30,000 is included. Increased coverage may be available for an additional premium.* | No. Coverage is restricted to specific types of property that does not include built-in cabinetry, wet bars and saunas. |
| What is the automatic coverage limit for fine art? for collectibles? for furs? for business property? for jewelry? for silverware? for golf carts? | \$5,000 \$5,000 \$5,000 \$15,000 \$5,000 coverage for jewelry and silverware combined. \$5,000 | The SFIP contains a sub-limit of \$2,500 for any one loss to artwork, collectibles, furs, business property, and jewelry categories. No coverage for silverware. No coverage for golf carts. |
| Does the policy provide for additional living expenses such as the cost of hotels, meals or other items when a home cannot be lived in due to a flood? | Yes. Up to \$7,500 is automatically included. Higher limits may be available for an additional premium.* | No. |
| How much does the policy pay for loss-avoidance measures? | Up to \$5,000 is included for the cost of supplies and labor to protect the property and the expenses to move the covered property to safety. | Up to \$1,000 is included for costs incurred to protect the insured building from a flood or imminent danger of flood for reasonable expenses to buy sandbags, fill for temporary levees, pumps and plastic sheeting and lumber ² and \$1,000 for reasonable expenses to move insured property in order to protect it from flood or the imminent danger of flood. Reasonable expenses include the value of work at federal minimum wage. |
| Does the policy have a single deductible? | Yes. The Chubb policy applies a single deductible per occurrence. | No. The SFIP policy has a separate building and contents deductible. |
| Is there a HFIAA Surcharge? | None | \$25 primary residence; \$250 secondary residences. |
| What is the Reserve Fund Assessment? | None | 18% assessment for all policies ³ . |
| Is there a policy fee? | No. Chubb does not charge a policy fee. | Yes. NFIP charges a \$50 policy fee for an SFIP and a \$25 policy fee for a preferred risk policy. |

*This chart is deemed current as of 05/31/2023. Version of SFIP form is F-122/October 2021. 1 FEMA and local communities may impose flood requirements that generally include increasing elevation, flood proofing, relocation or demolition of the home. 2 ICC coverage applies under certain conditions. Among other things, the home must have suffered 2 losses in a 10 year period and the cost to repair on average equaled or exceeded 25% of the market value or the loss equaled or exceeded 50% of the market value. 3 Except for the Group Flood Insurance Policies available to recipients of federal disaster assistance