

# The 411 on Flood Insurance

*What your commercial clients need to know about flood insurance.*



## A Common Misconception

When it comes to commercial flood insurance, there is one very common misconception among business owners. As insurance professionals, it's our job to set the record straight.

Many commercial clients believe that their business is protected from flood-related losses under their business owners policy (BOP). When, in fact, in most cases business owners policies will not cover damages if they've been caused by flooding.

## Why Your Commercial Clients Need Flood Insurance

Because most business owners policies don't protect businesses from flood damage, we're often faced with the question: **"Does my client really need flood insurance?"**

In short, the answer should almost always be **YES**. The following are a few facts that illustrate the importance of this type of coverage.



### Floods happen all the time

Floods are the most common type of natural disaster. In fact, it's even more likely for a business to experience a flood than it is to have a fire.



### Floods don't discriminate

Floods don't just occur in coastal areas. Nearly 20% of all National Flood Insurance Program (NFIP) claims happen in low or moderate flood risk areas.



### Floods are very expensive

Floods are the most expensive type of natural disaster. Without the proper insurance, a business may need to obtain a Natural Disaster Loan. These loans are even more expensive than insurance. In fact, the interest alone is often more expensive than a NFIP policy premium.

## Two Types of Commercial Flood Insurance

The National Flood Insurance Program (NFIP) offers two types of commercial flood insurance. It's recommended that businesses purchase both types of coverage because they cover different items and instances.



### Building Property

Building Property coverage provides protection for those items that are a part of a business' physical location. This includes the building, its foundation, water heaters, air conditioning equipment, furnaces and more.



### Personal Property

Personal Property coverage provides protection for items owned and used by the business. This includes furniture and fixtures, stock, carpets and rugs, washers and dryers and more.

## How to Obtain Commercial Flood Insurance for Your Clients

Riverside Brokerage Services makes it simple for you to provide full flood protection for your commercial clients. Please visit [millersmutualinsurance.com/products/flood-insurance](https://millersmutualinsurance.com/products/flood-insurance) to learn more about the available coverage, and to submit a quote request form.

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