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Media Information

Munich Re Launches New Commercial Inland Flood Coverage to Protect Small U.S. Businesses

Survey shows most small business have zero flood coverage

Munich Reinsurance America, Inc. (Munich Re) announces a new U.S. commercial inland flood product to help protect small businesses and habitational properties in low to moderate flood zones. The endorsement can be attached to a business owners or commercial property insurance policy purchased through a participating insurance carrier.

“The risk of flood has greatly increased as intense and frequent rainstorms have caused the overflow of rivers, streams and other bodies of water in areas that previously were untouched by flooding,” said Sanjay Mehrotra, strategic products operations manager, Munich Re . “As a result, businesses located outside of Special Flood Hazard Areas or 100 year flood zones are now at risk of experiencing a flood event. Munich Re’s new U.S. commercial inland flood endorsement is an affordable option to help protect small businesses and habitational properties from such events.”

A recent survey of 157 insurance agents by Munich Re found that nearly 100% of commercial policyholders with business income of less than \$250,000 had no flood coverage. Yet, according to the Federal Emergency Management Agency (FEMA), flood is the number one naturally occurring risk in terms of frequency in the United States with 50 states experiencing floods or flash floods in the last five years. According to FEMA, almost [40 percent of small businesses](#) never reopen their doors after a disaster.

“No one likes to think that they need flood insurance,” said Mehrotra, “but today every business owner should be considering this protection.”

Munich Re’s commercial inland flood endorsement offers insurance protection for the building, contents (including business property in a basement), business interruption/extra expense, the costs associated with moving property to safety and debris removal. Coverage is available on a replacement cost or actual cash value basis. Flood-induced sewer backup or overflow is covered if it occurs within 72 hours after the flood recedes. Limits of up to \$250,000 are available for buildings, \$250,000 for content, and \$50,000 for business income/extra expenses per occurrence and in the aggregate. Higher limits may be available upon request.

Munich Re’s commercial inland food endorsement is available throughout the United States with the exception of Florida, Louisiana, Hawaii, Alaska, and Puerto Rico. Munich Re also offers a U.S. personal lines inland flood endorsement which is available through participating insurance carriers.

About Munich Reinsurance America, Inc.

Munich Reinsurance America, Inc. is one of the largest reinsurers in the United States. We provide reinsurance coverages, specialty reinsurance, and risk management solutions to commercial and personal lines insurance carriers, agents and brokers, program administrators, and managing general agents. Our admitted and non-admitted insurance company affiliates also offer specialty insurance products. We provide insurance carriers with white label products to help protect against the devastating effects of natural catastrophes and emerging risks, while our Innovation Lab offers client solutions in a rapidly evolving technology risk landscape. We believe that by looking out for our clients' best interests with innovative risk solutions we can help build more resilient communities and close insurance gaps.

Munich Reinsurance America, Inc., a subsidiary of Münchener Rückversicherungs-Gesellschaft Aktiengesellschaft in München ("Munich Re"), earns high ratings for financial strength from A.M. Best Company. We serve our clients from our Princeton, New Jersey campus and regional offices throughout the United States. For additional information visit www.munichreamerica.com.

Any descriptions of coverage are meant to be general in nature and do not include nor are intended to include all of the actual terms, benefits and limitations found in an insurance policy, which forms the contract between the insured and insurance company and governs in all cases. Munich Reinsurance America, Inc. and its affiliates disclaim any and all liability whatsoever resulting from use of or reliance upon this material. The inland flood coverage endorsement is not intended to satisfy any mandatory flood insurance requirements of the policyholder's lending institution for their mortgages or loans. Coverage to satisfy these requirements is available through the National Flood Insurance Program (NFIP).

Media Contact

Jodi Dorman
Senior Media & PR Specialist
Phone: 609-243-4533
Email: JDorman@munichreamerica.com

Munich Reinsurance America
555 College Road East
Princeton, NJ 08543
www.munichreamerica.com
http://twitter.com/munichre_US