



MARSH

PRIVATE CLIENT SERVICES



NATURAL DISASTERS: UNDERSTANDING YOUR EXPOSURES AND RISKS

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INTRODUCTION

Over the past several years, the US, along with the rest of the world, has experienced an increase in the number of catastrophic hurricanes, earthquakes, wildfires, flooding and other devastating natural disasters and severe weather events.

Although being prepared and practicing what to do in a natural disaster or severe weather event can improve readiness, FEMA estimates that more than 60 percent of Americans do not have an emergency plan for their households.

To help you and your loved ones be prepared for unforeseen weather events and to answer some insurance questions related to these events, Marsh Private Client Services (PCS) developed this guide, *Natural Disasters: Understanding Your Exposures and Risks*. We hope you find the information and resources presented in this guide helpful as you develop or refresh your family's natural disaster emergency and recovery plans.

EARTHQUAKE







EARTHQUAKE PREPAREDNESS TIPS

Each year, the US experiences around 20,000 earthquakes, according to the US Geological Survey. While most of the earthquakes affecting the US are small, the damage to your home and property can be extensive.

To help avoid significant loss and keep yourself and your family safe, you may want to consider taking the following earthquake preparedness steps and precautions to prepare your home for such an event.

HOW TO PREPARE FOR AN EARTHQUAKE

Inside Your Home

- Secure bookcases and filing cabinets to nearby walls.
- Brace overhead light fixtures.
- Use straps to anchor large appliances, such as water heaters, to wall studs.
- Install ledge barriers on shelves to keep contents from falling; heavy items should be placed on low shelves.
- Secure pictures and mirrors to the walls with closed screw-eyes and wire.
- Secure computers and small appliances to desks, tables, or countertops.
- Install latches on drawers and cabinet doors to keep contents from spilling.
- Learn how to shut off the gas valves in your home and keep a wrench handy for that purpose.

Structure of Your Home

- Add anchor bolts or steel plates between your home and its foundation.
- Brace the inside of your home's cripple wall (the short wood-stud wall between the top of the foundation wall and the first floor) with sheathing.
- Brace chimneys, masonry, and concrete walls and foundations.
- Natural gas lines should have automatic seismic safety shut-off valves at all structure entry points. If you are unsure whether you have an automatic shut-off valve on your natural gas or propane system, contact the local gas/propane company.
- Apply these tips to the structure of your garage, if necessary. Earthquake damage to the garage could also damage any vehicle(s) parked inside.

Tips for Your Family

- Create and practice fire evacuation and earthquake preparedness plans with your family.
- Find a safe place in each room of your home – under a piece of furniture or against an interior wall away from windows, bookcases, or tall furniture that could fall on you.
- Practice “drop, cover, and hold on” in each safe place.
- Keep a flashlight and sturdy shoes by each person’s bed in case an earthquake strikes in the middle of the night.



WHAT TO DO DURING AN EARTHQUAKE

If you are indoors:

- Drop, cover, and hold on. Move as little as possible.
- Stay away from windows to avoid being injured by shattered glass.

If you are outdoors:

- Find a clear spot away from buildings, power lines, trees, and streetlights, and drop to the ground. Stay there until the shaking stops.
- If you are in a vehicle, pull over to a clear location and stop. Avoid bridges, overpasses, and power lines if possible. Stay inside with your seatbelt fastened until the shaking stops. Then, drive carefully, avoiding bridges and ramps that may have been damaged.

WHAT TO DO AFTER AN EARTHQUAKE

- Expect and prepare for potential aftershocks, landslides, or even a tsunami.
- Each time you feel an aftershock, drop, cover, and hold on.
- Look quickly for damage in and around your home and get everyone out if necessary.
- Open closet and cabinet doors carefully as contents may have shifted.
- If you are away from home, return only when authorities say it is safe. Before entering your home, check outside for loose power lines, damaged gas lines, foundation cracks, or other damage.

EARTHQUAKE INSURANCE SOLUTIONS

Earthquakes are powerful natural disasters that can trigger landslides, avalanches, flash floods, fires and tsunamis — and quakes can happen any time of year. Because most of the earthquakes in the US that make the news take place in California, individuals living in other states may think their homes are not at risk and choose to go without earthquake coverage; but according to the US Geological Survey, all 50 states are susceptible to earthquake and 39 states have “a reasonable chance of experiencing damaging ground shaking” from a quake.

Nationally, only eight percent of homeowners responding to a 2016 Insurance Information Institute (III) poll said they had earthquake coverage.

At the beginning of 2018, Alaska and Idaho both experienced earthquakes of over 4.0 in magnitude. And it's only been a few years since the US experienced significant earthquake activity in multiple regions. In 2015, the III reported 32 earthquakes of at least a magnitude 4.0 in Alaska, Kansas, Oklahoma, and Texas.

RECENT DEVELOPMENTS

Earthquake insurance offers protection for damages caused by the shaking and cracking that can destroy homes and property. Coverage for other types of damage that may result from earthquakes, such as fire and water damage due to burst gas and water pipes, is provided by standard homeowners policies. Earthquake coverage is available from most private insurers. In California, homeowners can also get coverage from the California Earthquake Authority, a privately funded organization, in collaboration with certain homeowner insurance providers.

Most people are aware that standard homeowners insurance doesn't include coverage for earthquakes. Instead, coverage is typically available as an add-on

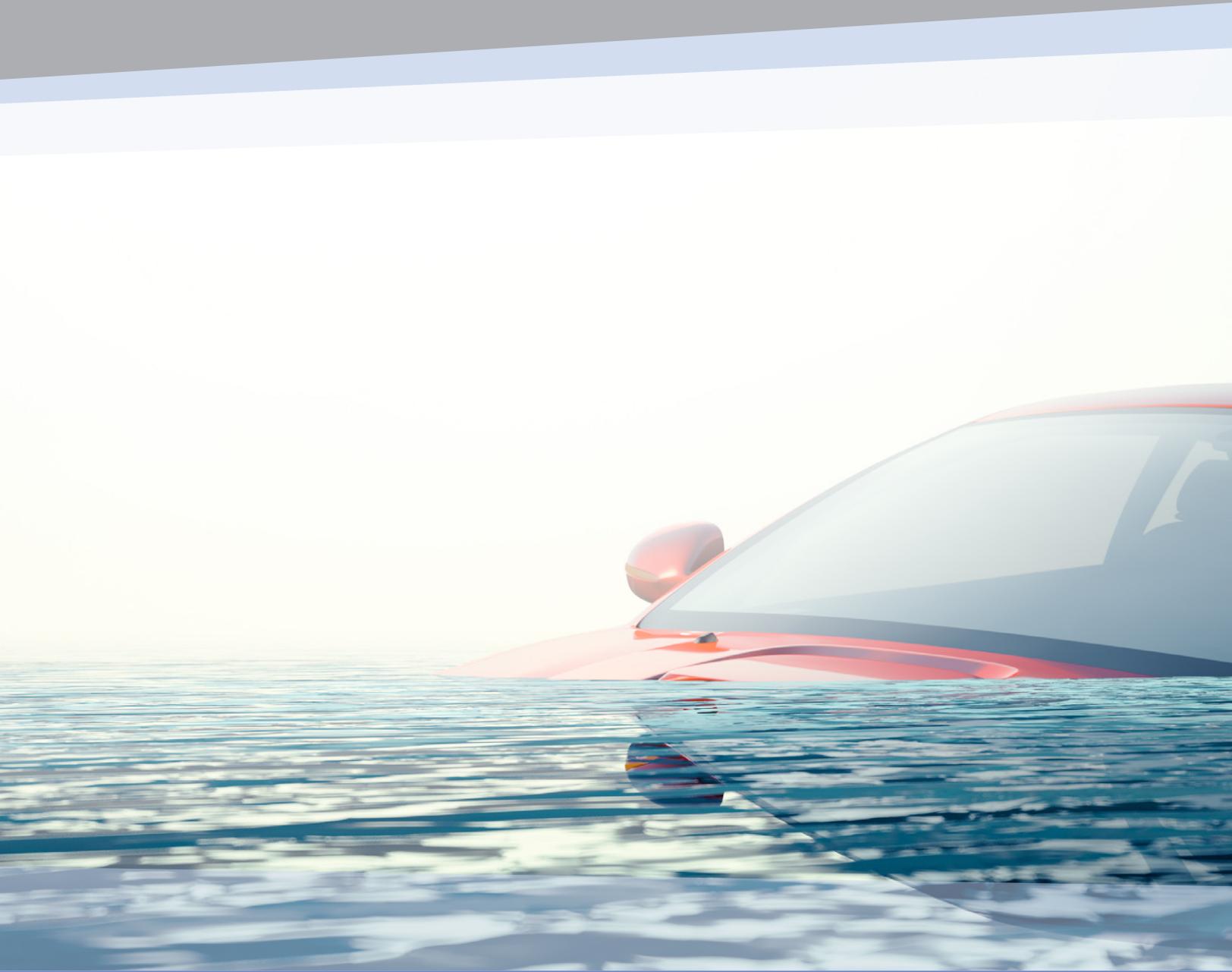
policy endorsement or as a separate stand-alone policy. An additional premium expense is likely the main reason homeowners who live in areas most susceptible to earthquakes choose to forgo earthquake coverage, but another reason many individuals go without coverage is they believe that they don't truly need protection.

According to the III, the potential cost of earthquakes has been growing because of increasing urban development in seismically active areas and the vulnerability of older buildings, which may not have been built or upgraded to current building codes.

The good news for homeowners is that scientific modeling has helped insurers be more attuned to exposures. By knowing what areas are most likely to suffer damage and how far homes are from faults, carriers are able to better align premiums to risk, which may result in a lower cost to insure against earthquakes than in years past. In addition, most insurers offer premium credits for seismic retrofitting.

Talk to your personal risk advisor if you are interested in learning more about earthquake insurance.

FLOOD







FLOOD PREPAREDNESS TIPS

Flooding is the most common weather-related cause of property damage in the US, causing billions in losses each year. It can occur anywhere and with little or no warning.

Flooding can result from a wide variety of causes including storm surge associated with hurricanes and tropical storms, sudden downpours and flash flooding, prolonged rainfall or rapid snowmelt, water main breaks, and more.

FLOOD PREPARATION FOR YOUR HOME

- Raise electrical components (switches, sockets, circuit breakers, and wiring) at least 12 inches above the [base flood elevation](#) for your area.
- Protect HVAC equipment by moving it to an upper floor or having a flood-proof wall built around it.
- Direct water away from your home by incorporating the proper grade or slope to your yard.
- Secure outdoor fuel tanks to the ground with anchors.
- Install sewer backflow valves to prevent return flow into the house.
- Regularly inspect your sump pump to ensure it is working properly and the battery is fully charged.
- Protect your water well from contamination by having it inspected and making required improvements.

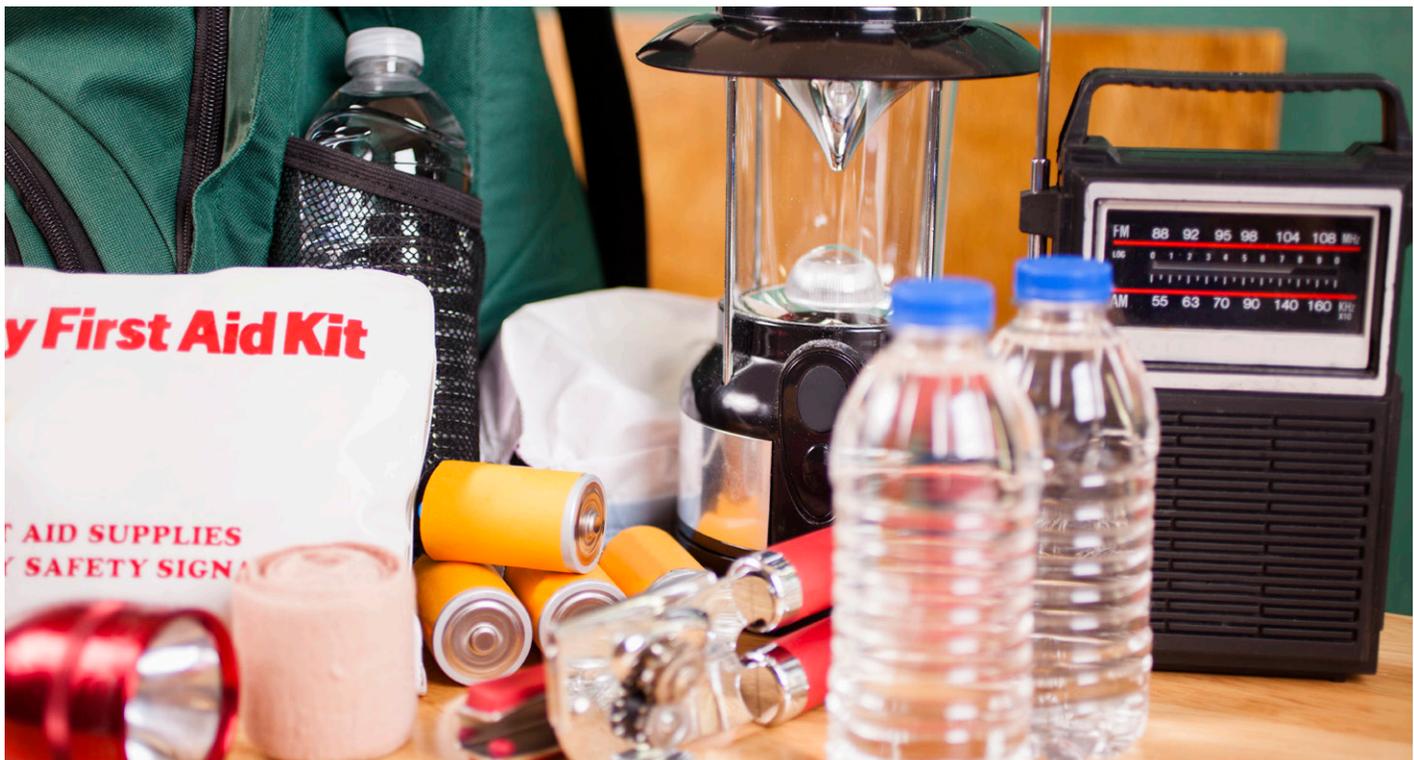
WHAT TO DO BEFORE A FLOOD

- Be ready to evacuate at a moment's notice.
- Limit property damage by:
 - Raising furniture, electronics, and appliances off the floor.
 - Rolling up area rugs and moving them on a higher floor in your home if possible.
 - Shutting off electrical, gas, and water lines.
- Keep and maintain a “go bag” – a collection of flood preparedness items you may need in the event of an evacuation – for each member of your household. Each go bag should be packed in a sturdy, easy-to-carry container such as a backpack or suitcase on wheels. A go bag may include:
 - Copies of your important documents in a waterproof and portable container (insurance cards, birth certificates, deeds, photo IDs, proof of address, etc.).

- Emergency contact and meeting place information for your household and a small regional map.
- Credit and ATM cards, and cash, especially in small denominations.
- Extra set of car and house keys.
- Flashlight, whistle, emergency radio, and extra batteries.
- Cell phone charger(s) including one that can be used without electricity, such as a car charger, and an extra cell phone battery.
- Bottled water and nonperishable food such as energy or granola bars.
- Medication for at least one week and other essential personal items. Keep a list of any medications and dosages for each member of your household, or copies of all your prescription slips, as well as your doctor’s contact information.
- Sturdy, comfortable shoes, lightweight rain gear, and an emergency thermal blanket.
- Child care supplies or other special care items.
- Personal items such as soap, feminine hygiene products, toothbrush, and toothpaste, etc.

WHAT TO DO DURING A FLOOD

- When a flood or flash flood warning is issued for your area, head for higher ground and stay there.
- Stay away from floodwaters. If you come across water flowing above your ankles, turn around, and take another route. Just six inches of swiftly moving water can sweep you off of your feet.



- If you come upon a flooded road while driving, turn around and take another route. According to FEMA:
 - Six inches of water will reach the bottom of most cars, causing loss of control and potential stalling.
 - A foot of water will float many vehicles.
 - Two feet of rushing water will carry away most vehicles, including SUVs and pickups.
- If you get caught on a flooded road and water is rising around your vehicle but the water is not moving, get out of the car quickly and move to higher ground.
- If you get caught on a flooded road with moving water rising around your vehicle, you need to act quickly:
 - Roll the window down immediately. It may be your only way out.
 - Get on the roof of the vehicle.
 - Stay low and hang on.
- If you are stuck in your vehicle underwater, you need to act quickly:
 - Find a pocket of trapped air, usually against the rear window or roof.
 - Roll a window down slowly, take a deep breath and be ready to swim.
 - If the window won't open, break the window with a rescue tool such as a Swiss Army knife.

WHAT TO DO AFTER A FLOOD

- Before entering your home, check outside for loose power lines, damaged gas lines, foundation cracks, or other damage.
- Parts of your home may be damaged or collapsed. Approach entrances carefully. Inspect porch roofs and overhangs for possible damage to supports.
- Watch out for wild animals that may have come into your home with the floodwater.
- If you smell natural or propane gas, leave immediately and call the fire department.
- If power lines are down outside your home, do not step in puddles or standing water.
- Make sure your food and water are safe. Throw away items that have come in contact with floodwater, including canned goods, water bottles, and utensils.
- Contact your local or state public health department to see if your water supply might be contaminated. You may need to boil or treat it before use.

If you're prepared for a flood, you'll be more likely to make better decisions if faced with an emergency situation. Take steps as early as possible to prepare your property and your family for a potential flood event.



STORM SURGE AND FLOOD INSURANCE SOLUTIONS

The National Oceanic and Atmospheric Administration (NOAA) defines storm surge as an abnormal rise in seawater level during a storm, measured as the height of the water above the normal predicted tide. Storm surge is caused primarily by a storm's winds pushing water onshore. The amplitude of the storm surge depends on the orientation of the coastline with the storm track, along with the intensity, size, and speed of the storm.

Many homeowners incorrectly assume that their home insurance will cover damage caused by storm surge-related flooding. However, the homeowners insurance policy does not include protection for losses related from rising water including storm surge, sudden downpours and flash flooding, prolonged rainfall, or rapid snowmelt. These perils may be covered by purchasing flood insurance.

UNDERSTANDING YOUR RISK

Floodplain and flood zone locations are identified by the Federal Emergency Management Agency (FEMA), working with each municipality to create and update flood maps that show the flood zone for each part of your community. It is important to know the flood risk of your property by finding out what flood zone, from high to low risk, your property is in. You can view your local flood map by visiting FEMA's online [Flood Map Service Center](#) or contacting your city or county government.

It's important to keep in mind that storm surge can happen quickly and far from a storm's center, affecting areas that don't typically flood.

Homeowners in high-risk areas with mortgages from federally regulated or insured lenders are required to purchase flood insurance. Your insurance advisor can also help you understand your risk.



FLOOD FACTS

- According to [FloodSmart.gov](https://www.floodsmart.gov), more than 20 percent of flood claims come from properties outside high-risk flood zones.
- Everyone lives in a flood zone, regardless of whether you live near a body of water.
- All 50 states have experienced flood disasters.
- In a high-risk flood area, your home is more likely to be damaged by flooding than by fire.
- In most cases, there is a 30-day waiting period between the time you purchase flood insurance until the date coverage is effective, so it's important to buy insurance before a storm approaches.
- Costs to comply with any law or ordinance requiring you to repair, rebuild, elevate, flood-proof, or demolish your home after a covered flood loss.
- Additional living expenses — costs incurred to reside elsewhere while your home is repaired or rebuilt.
- Increased coverage for loss avoidance expenses such as sandbags, labor, and contents removal.
- Coverage for finished basement areas.
- Stabilization, evacuation, or replacement of land.
- Higher limits of coverage available.
- Additional protection is also available in the form of excess flood insurance with higher loss payment limits for your home and possessions.

A basic and affordable flood insurance policy, backed by the federal government's National Flood Insurance Program (NFIP), is available in most communities. Some insurers also offer their own private flood policies that may provide broader coverage and more favorable loss settlement terms than the NFIP policy. Some enhanced coverages that may be available on private flood policies include:

It is important to talk to your personal risk advisor about securing a flood policy to safeguard against storm surge and flood-related losses. To learn more about flood protection and to ensure you have the proper insurance coverage in place, contact your personal risk advisor.

Don't Underestimate Your Vulnerability to Flood

When compared to other natural disasters, flood is one of the costliest and most frequent.



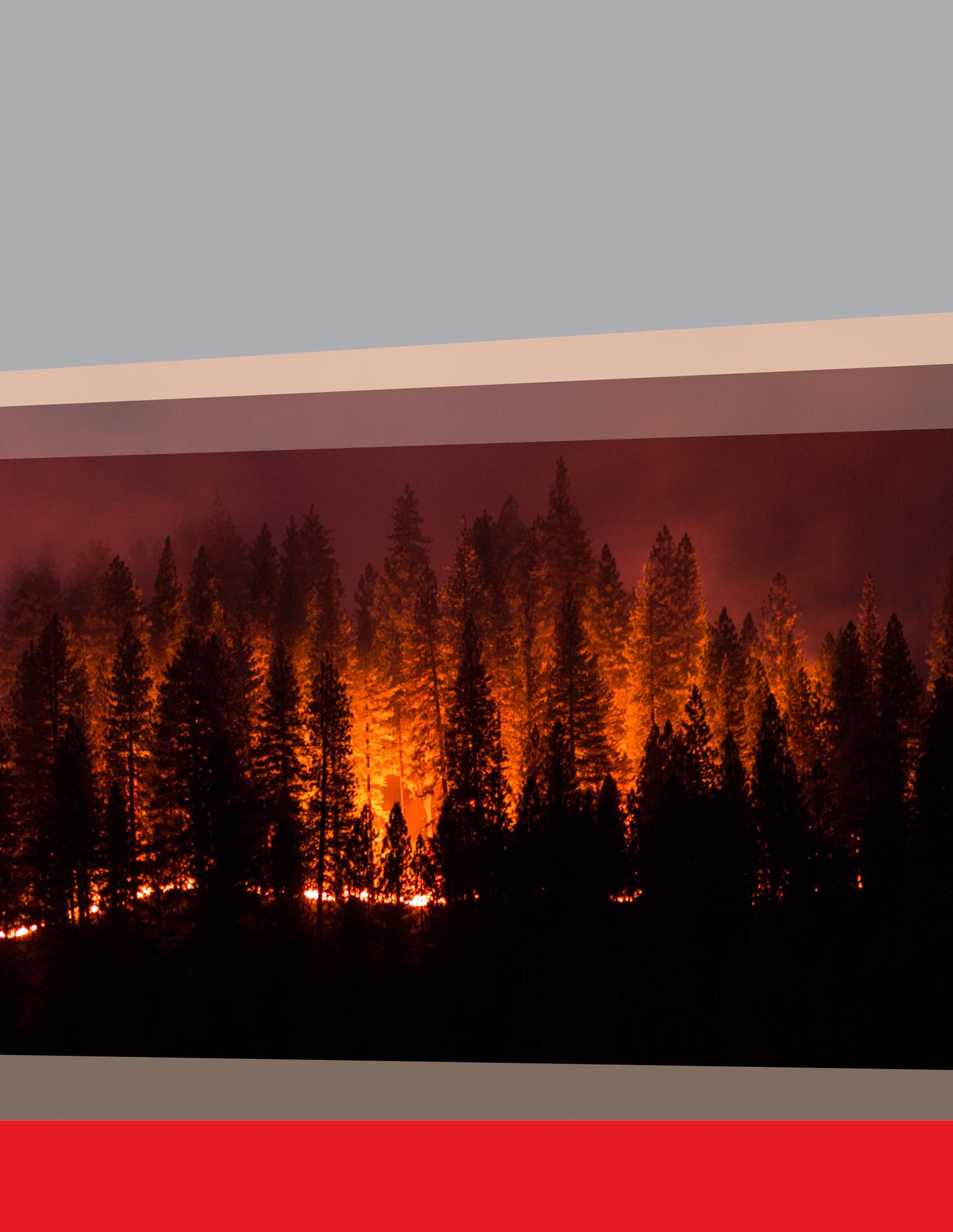
FEMA estimates that 98 percent of US counties have experienced a flood event.

Misperceptions about flood risk have kept many people from purchasing protection from the NFIP or private insurers.

Learn more in our whitepaper
***FLOOD: UNDERSTANDING THE RISK,
NAVIGATING INSURANCE OPTIONS.***

WILDFIRE







WILDFIRE

PREPAREDNESS TIPS AND INSURANCE CONSIDERATIONS

According to the Insurance Information Institute (III), 38 states within the US are at risk for wildfire, especially during seasons of drought and in mountain, foothill, and grassland regions. Homeowners in wildfire-prone areas should understand their wildfire risks and take steps to protect their homes and property.

One proactive step you can take is speaking to your personal risk advisor about available wildfire defense programs from your insurer. Many premier insurers offer access to services such as clearing of debris around homes to eliminate potential combustibles, setting up temporary sprinkler systems, spraying the home and property with a fire-retardant material, and helping to establish a fire escape plan. Often these services are complimentary and can improve your home's chances of surviving a wildfire and increase your family's safety.

PREPARE YOUR HOME

Regular upkeep of your home and property, along with other common-sense precautions, is the most effective defense against loss caused by wildfires. Take the following steps to reduce your risk before the next wildfire threatens:

- Install smoke detectors and fire extinguishers throughout your home, and have a portable fire suppression system on hand.
- Keep your roof and gutters free of leaves and other debris.
- Always stack firewood at least 30 feet from your home.
- Keep a garden hose long enough to reach the house and other structures on your property.
- Ensure fire tools (ladder, shovel, hose, rake, ax, water bucket) are stored in an easily accessible location.
- Install a back-up generator. Wildfire can easily knock out power lines.
- Make sure your address is easily visible from the street.
- Install ember-resistant venting.
- Fit eave soffits and attic vents with narrow mesh screens.
- Fit chimneys with spark arrestors (devices that prevent emission of flammable debris from fireplaces and wood burning stoves).
- Keep a video inventory or photographs of your possessions at a remote location.
- Store valuable documents in a fire-resistant safe or remote location.
- Consider upgrades to the construction of your home to increase its chances of surviving a wildfire. For fire-safe construction tips, visit [readyforwildfire.org](https://www.readyforwildfire.org).

PREPARE YOUR PROPERTY

Firefighting experts and other authorities urge you to create a zone of defensible space around your home to reduce the chance of ignition from radiant heat or embers and to provide firefighters a clear area in which to operate.

- Maintain this defensible space to at least 100 feet around your house (200 if on a slope).
- Remove all dead plants, trees, branches, and debris from this zone and keep it well watered.
- Remove all flammable plants, even healthy ones, within 30 feet of home (60 if on a slope).
- Remove branches that extend over the roof or within six feet of the home.
- Maintain a minimum of 15 feet between tree crowns.
- Trim tree limbs to 15 feet off the ground or 1/3 of the total crown height, whichever is less.
- Clear a 10-foot area around propane tanks or barbecue area.
- Keep shrubs thinned and separated by a distance of at least twice their height.
- Clear driveways of flammable vegetation for 10 feet on both sides and overhanging obstructions to a height of 15 feet.

PREPARE YOUR FAMILY

Design an emergency plan and discuss it with your family, including children, before wildfire strikes. Have each household member assemble a “go bag” — a collection of necessary items in case of evacuation.

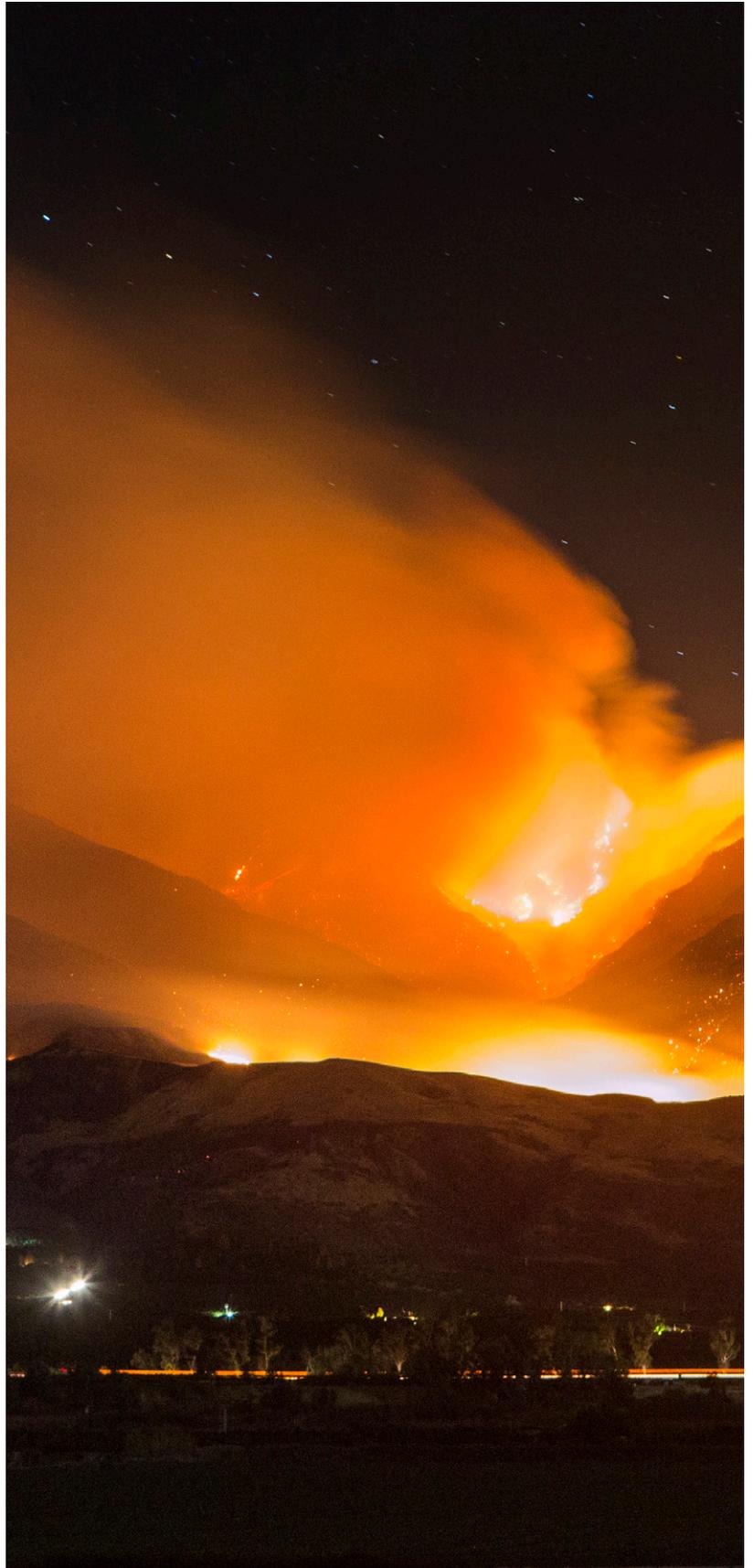
IF A WILDFIRE APPROACHES

In addition to the steps below, stay aware of the latest advisories from fire and other relevant officials. Remember, you do not need to wait for orders to evacuate. Your personal safety should come before all other considerations.

- Turn off all pilot lights. Shut off propane at the tank and/or natural gas at the meter.
- Wet shrubs within 15 feet of the home.
- Frequently check your roof and attic for embers or fire.
- Turn on houselights to increase the visibility of your home through heavy smoke.
- Close windows, vents, and doors. Seal attic and ground vents with plywood.
- Remove lightweight and/or non-fire resistant curtains and materials from around windows.

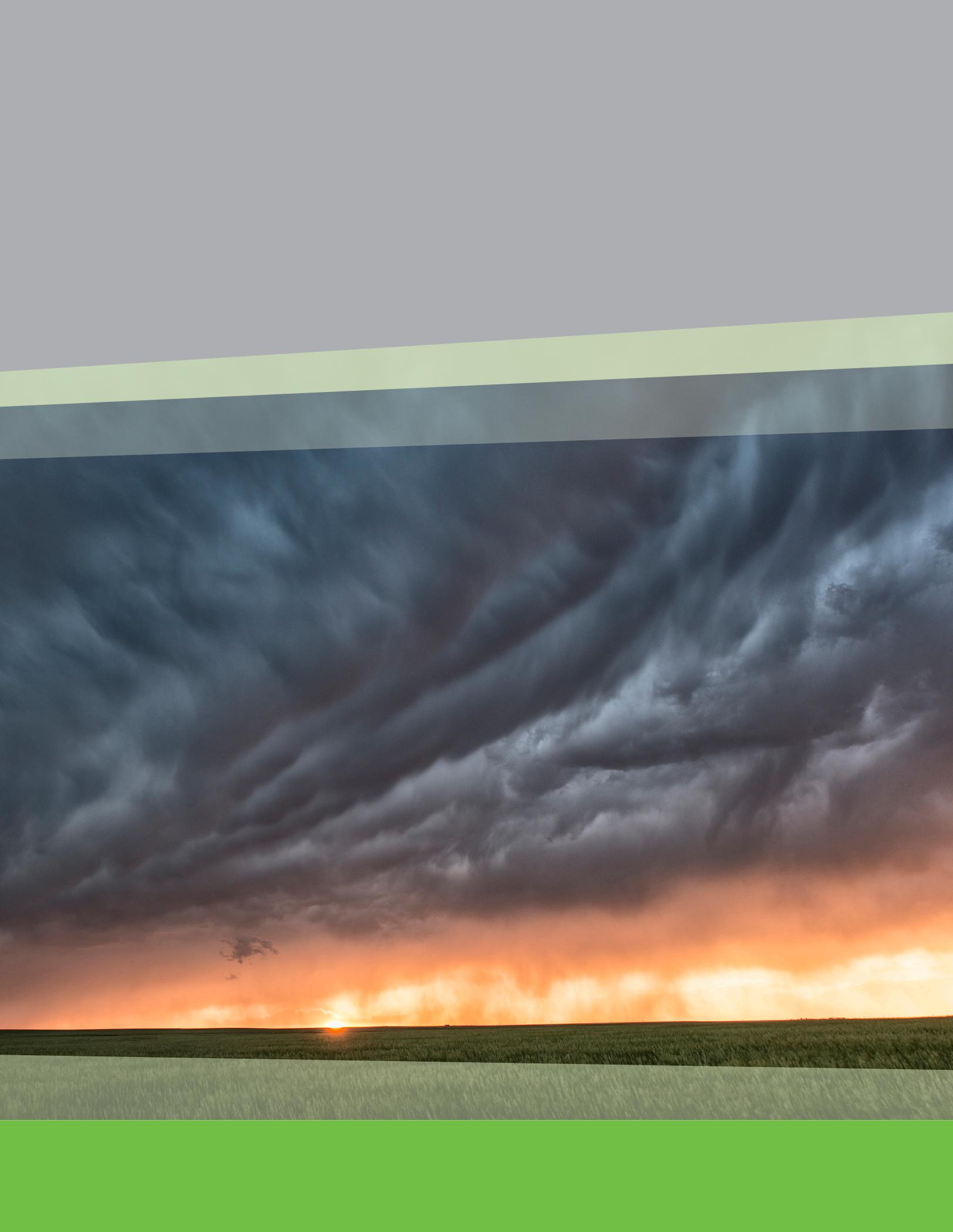
- Open fireplace damper(s) for proper updraft. Close fireplace screens.
- Use garden hose and lawn sprinklers to wet the roof and above-ground fuel tanks.
- Prop a ladder against the house so firefighters have easy access to the roof.
- Place combustible patio furniture in the house or garage.
- Move all flammable furniture to the center of the home, away from windows and glass doors.
- Ensure your vehicles' gas tanks are full, your go bags are ready, and obey any evacuation orders promptly.

Talk to your personal risk advisor to learn more about wildfire risk management best practices and to inquire about a wildfire defense program you may be eligible for through your insurer.



WINDSTORM







WINDSTORM

PREPAREDNESS TIPS AND INSURANCE CONSIDERATIONS

Hurricanes and other storms often have powerful winds that are strong enough to uproot trees, bring down power lines, rip off roofs and exterior walls of homes, and push vehicles off roads.

In the event of an approaching hurricane or strong storm, it's important to take as many preventative steps as possible to help protect your family, home, and property.

BEFORE A STORM

- Make a hurricane preparedness plan, assemble emergency supplies, and put together a “go bag.”
- Reinforce windows and doors by making sure they are protected with appropriate shutters and impact-resistant glass. Plywood can be used but it should be secured strongly.
- Garage doors are often the first structural element to fail and should be reinforced with a storm bar.
- Address landscaping concerns by removing damaged trees and limbs to keep you and your property safe.
- Clear loose objects like patio and lawn furniture and other items that may become flying objects and cause damage to your home.
- Secure loose rain gutters and downspouts and clear any clogged areas or debris to prevent water damage to your property.
- Keep generators and other alternate power/heat sources outside at least 20 feet away from windows and doors and protected from moisture. Never plug a generator into a wall outlet.

AFTER A STORM

- Return home only when officials say it is safe.
- Watch for downed power lines.
- Cover roof damage with tarps and broken windows with plywood to help prevent further damage.
- Photograph any damage to your property to assist with insurance claims.

While there isn't time for major construction renovations right before a storm, you may want to consider building a FEMA safe room or ICC 500 storm shelter designed for protection from high winds. In addition, you can reduce property damage by retrofitting to secure and reinforce your home's roof, windows, and doors. Structures built to meet or exceed current building codes have a much better chance of surviving a violent windstorm.

Talk to your personal risk advisor about insurance coverage for wind damage. Your policy may have a separate deductible in place that applies for windstorm events. It's important to understand what type of deductible you have and how it will apply. Some states offer windstorm insurance coverage for homeowners in high-risk areas through a state-run insurance pool when insurers don't offer coverage through a homeowners policy.

WHEN A LOSS OCCURS







ASSIGNMENT OF BENEFITS: AVOIDING CONTRACT SCAMS

During the course of 2017, the US was impacted by several severe hurricanes. In Florida alone, Hurricane Irma caused significant damage from powerful winds and coastal flooding, and more than 830,000 claims were filed as a result of the storm.

In the wake of this event and other recent natural disasters, you may recall seeing news reports of regulators, insurers, and industry trade groups urging policyholders to report claims directly to their insurer or broker so victims of the storm didn't unknowingly sign away their rights to third parties.

WHAT IS ASSIGNMENT OF BENEFITS?

This Assignment of Benefits (AOB) is what comes into play when a homeowner signs a contract transferring or assigning claims proceeds to a contractor in exchange for repair of damage to the home. AOB scams stem from contractors and attorneys taking advantage of homeowners affected by a natural disaster or severe weather event. These individuals use an AOB contract to acquire the homeowners' insurance benefits, file inflated claims, and then pursue lawsuits against insurers when the claims are disputed or denied. Homeowners who are taken advantage of in this way may become a party in a lawsuit or responsible for payment of additional costs if their insurer does not pay the third party the full amount requested. In addition, a lien may be placed on the home if the homeowner fails to pay the claim.

RECOGNIZING AOB ABUSE

Take, for example, a situation where a Florida homeowner sustains water damage to their property after a storm. A water extraction company is called and assures the homeowner they are there to help, offers to take care of everything including billing the insurer directly, and reminds the homeowner that any delay in signing their contract to get cleanup started could lead to dangerous and toxic mold growth.

Unaware of the consequences, the homeowner signs the contract, and before the insurer is aware of the loss or able to inspect damage and collect evidence, the extractor swiftly cleans up the water, makes repairs, and bills the insurer for an inflated amount. Knowing an extraction on a comparable house typically costs a lot less, the insurer tries to negotiate. The company responds with a 10-day notice and files a lawsuit for breach of contract. Under Florida law (regulations vary by state), the company can put a lien on the homeowner's property and even foreclose if the bill is not paid. In some cases, the insurer will pay the claim to avoid attorney fees, which can add up quickly.

After a significant severe weather event, homeowners should be aware of escalated AOB exploitation, particularly from water extraction companies and roofers. Fraudulent roofing companies may target historic high-end neighborhoods where homes have older roofs. These scam artists may offer a new "free" roof for alleged damage that might have occurred months or years ago.

TALK TO YOUR ADVISOR

Keep in mind that what sounds too good to be true probably is. Talk to a trusted personal risk advisor before signing any contractor documents after a severe weather event to avoid becoming victim of an insurance scam.



REPAIRING OR REBUILDING AFTER A NATURAL DISASTER

As you begin to make repairs and renovations to your home and property after a severe weather event or natural disaster, you will likely work closely with your insurance company throughout the claims process. But what if you aren't filing a claim? Perhaps you didn't have flood coverage in place, your wind deductible was more than the loss, or maybe you were just anxious to get started on repairs.

Because a home under construction is highly susceptible to damage and loss, any time you are making repairs or conducting construction work on your home, it is important to communicate with your insurance advisor to help ensure you aren't creating more exposures for yourself.

RISK MITIGATION AND INSURANCE ISSUES TO CONSIDER

- Before starting a construction project, talk to your insurance advisor about best practices when working with a contractor and understand how to protect your home during renovations and construction.
- Most insurance carriers require notification prior to the start of construction or remodeling work to your home or property. Otherwise, some policy terms may change – such as your deductible or the amount of coverage available in the event of a loss during construction.
- Your carrier may require that certain steps are taken to mitigate loss during construction, especially if you are not residing in your home while under construction.
- Expansions or improvements may change the replacement value of your home. Be sure you have adjusted your insurance coverage accordingly.
- Ask your insurance advisor about other risk mitigation steps that may be appropriate during construction, whether that's adding security cameras or taking advantage of special features and benefits of your policies. For example, if building codes have changed, your policy may provide coverage for improvements necessary for the increased cost of compliance and rebuilding to code.

These are just some of the considerations to review with your personal insurance advisor. Although returning your property and life to normal after a natural disaster is not easy, Marsh PCS is committed to doing our part to help you along the way.



WORKING WITH A CONTRACTOR

Beginning the recovery process after a natural disaster, fire, or other loss to your home can be daunting. Marsh PCS Claims Analysts provide claims advocacy and expertise to help clients through the claims process, but we also want to help make sure you have the right tips and tools in case you need to hire a contractor to rebuild your home after a loss.

Keep these considerations in mind when working with your contractor to repair property damage.

CHOOSING A CONTRACTOR

- Request multiple, detailed estimates from reputable companies specializing in the same services. This should include references and examples of their work.
- The contractor should be appropriately bonded. Surety bonds provide assurance that contractors will perform the work and pay specified subcontractors, laborers, and material suppliers.
- For contractors and repair service providers, please visit the Better Business Bureau (bbb.org) and learn more about their company's reliability and their authority to do business in your state.



INSURANCE CONSIDERATIONS

- Advise your personal risk advisor in advance of any construction or renovation projects.
- Before you enter into a major construction contract, speak with your personal risk advisor as the insurer may require certain loss mitigation controls be in place.
- Don't sign documents that contain a waiver of subrogation clause or hold harmless agreement. This may affect how your insurance responds and cause you to take unnecessary responsibility for losses that may occur during the course of construction.
- Obtain a certificate of insurance to verify that the contractor or service provider has general liability insurance and workers' compensation insurance. It is prudent to contact their insurance provider to confirm that coverage is in force and the aggregate limit has not been eroded by prior claims. Depending upon the size of the project, it is advisable to verify that the contractor also has excess liability coverage.

AVOID SCAMS

- If you are approached by someone offering to help repair your property or to assess damage, it is important to exercise caution. Never feel forced into making an immediate decision, and do not be fooled by deals or discounts that are only available for a limited time.
- Do not sign any contract before reviewing it carefully. Never let anyone recite the terms of the contract either; read it for yourself and make sure the services offered are consistent with what was discussed.
- Do not make any deposits or down payments before doing your research and feeling confident in the company you have chosen.
- Do not make cash payments, and do not pay any subcontractors directly. Payment should be made through your general contractor.
- Inspect all work prior to making final payments.
- Price gouging, which is the act of selling necessary goods and services at a price much higher than what is normally deemed reasonable, is illegal and should be reported to local authorities.
- If anyone claims to have already performed work on your property and is demanding payment, contact your local authorities immediately.

Choosing your contractor is possibly the most important decision in the construction process. It is important to make sure the contractor is reputable and properly insured in order to protect you, your family, and your property from further losses.



For additional natural disaster risk management solutions and resources, contact Marsh Private Client Services or visit marshpcs.com.

ABOUT MARSH PRIVATE CLIENT SERVICES

At Marsh Private Client Services (PCS), a division of Marsh USA Inc., we design personal insurance solutions to protect our clients' unique lifestyles and offer lasting peace of mind.

As part of Marsh, a global leader in insurance solutions and risk management services, we provide clients with worldwide resources and unparalleled claims advocacy. Marsh PCS strives to build long-lasting relationships with clients through attention to detail and commitment to superior service.

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