

### Personal Lines Earthquake Buy-Down Product

**Q: Can we only insure the dwelling for the EQ buy down?**

While the insured can opt to carry any retention between the line limits, such as only buying down the amount for their dwelling, this product was designed to buy down the EQ deductible for the ENTIRE policy.

**Q: What do you mean by insureds retention/Where is the deductible shown on the page?**

This is the amount which the insured is still responsible for paying. The minimum amount which the insured will retain is \$2,500 but higher limits are available. It is important that the amount being asked to buy back is the amount minus the insureds retention. For example, if the total EQ deductible is \$50,000 and the client wants to buy down to \$2,500, the calculated amount on the application should be \$47,500.

**Q: What does Risk Total Insured Value mean on the application?**

This is the amount which is used on the underlying policy to calculate the earthquake deductible. On some underlying policies this may be the total amount of the dwelling + detached structures + personal property. On other policies it may only be the dwelling + detached structures. The underlying policy wording will highlight how the policy will calculate this amount. On condominium policies this may be the personal property + improvements & betterments.

**Q: What happens if there is only a partial loss?**

The client can make a claim and subject to their retention, this policy would respond.

**Q: What is the difference between the Strata EQ Deductible Assessment vs. the EQ Deductible Buy Down for condo unit owners?**

The Strata EQ Deductible Assessment will reduce the unit owner's portion of the EQ deductible assessed from their strata corporation, whereas the EQ Deductible Buy Down for condo unit owners will reduce the EQ deductible on their personal condo insurance policy.



## Strata Earthquake Assessment Buy-Down Product

**Q: On the Strata Corporation EQ Deductible Assessment product, which policy number is being requested: the Strata Corporation's policy, or the unit owner's personal policy?**

We are asking for the unit owners personal policy number. This product is only available if the individual unit owner has a personal policy with earthquake coverage.

**Q: Where does my client find the information for their Strata Corporation's EQ deductible amount?**

They can request it from their strata corporation. Normally the policy's declaration page is provided to each unit owner at renewal time.

**Q: How do I calculate the Strata EQ Deductible Assessment for my clients? Follow these steps:**

1. Have your client find their Strata's insurance coverage and look for the total insured value (TIV) or building limits and the percentage of that policy's EQ deductible
2. Take the TIV or building limit and multiply it by the EQ deductible percentage.
3. With the EQ deductible amount, divide it by the amount of units in the building. It is important to discuss unit entitlement with your client, as each unit may be assessed more or less the deductible amount. If they are unsure use a higher rounded figure. Have a discussion with your client on what they feel comfortable with.
4. Take the calculated deductible assessment and apply that figure on our online application to determine the premium.

