

## Personal Lines Department

### Hidden Water / Seepage

#### How to Explain Any Coverage: Tips & Tricks

- 2 Sentences & A Question: Make it a conversation
- Nana Principle: Use the vocabulary you would use with your Nana (nothing complicated)
- Be Concise: try not to talk in circles
- Tell A Story to Illustrate the Coverage
- Always talk about pricing in monthly amounts
- If someone is not interested ask a few more questions and always document your system

#### Coverage Explanation

Hidden water or seepage coverage protects against damage caused by water that seeps or leaks into a home without the homeowner's knowledge. This is typically water that infiltrates through foundations, walls, or floors over some time. It's essential to understand that this coverage is different from flood insurance. It's mainly aimed at addressing damage from slow leaks or seepage that aren't immediately detected, rather than sudden and accidental water discharges or flooding.

#### How the Policy Helps Clients

This policy assists homeowners by covering costs related to damages that are often excluded from standard homeowners' policies. Slow water leaks or seepage can cause significant structural damage over time and can be expensive to repair. With this coverage, homeowners can address and rectify damages without bearing the full financial burden.

#### Example of Claims

John notices a musty smell in his basement and discovers mold along the base of one wall. After investigation, it's determined that a slow leak from the exterior has been allowing water to seep into the basement over several months. The seepage has damaged the drywall, framing, and carpet. John files a claim with his insurance under the hidden water/seepage coverage and is compensated for the repair and replacement costs.

## How to Explain It to Clients

Imagine a scenario where water is silently sneaking into your home without your immediate knowledge, causing damage over weeks or even months. By the time you notice, the damage could be extensive. The hidden water/seepage coverage acts like a safety net for such situations, ensuring you're protected against the financial implications of such unnoticed water damage.

## Common Objections

Objection	Response
I maintain my home regularly; I won't have such issues.	While regular maintenance is excellent and can prevent many problems, no home is entirely immune to potential issues like seepage. This coverage is about preparing for those unpredictable and often unnoticed damages.
Isn't this covered under my standard homeowner's policy?	Most standard homeowners' policies don't cover damage from continuous or repeated seepage or leakage. This specific coverage fills in that gap, ensuring you're comprehensively protected.
The additional premium isn't worth it.	Consider the potential costs of addressing structural damage, mold remediation, and other issues that arise from undetected water damage. The premium is a relatively small price to pay for peace of mind and financial protection against such challenges.