



ENHANCED *Water Damage Package*

GEOCODING AND THE ENHANCED WATER DAMAGE PACKAGE

With the recent launch of the Enhanced Water Damage Package, Intact Insurance and Novex are using geocoding to determine coverage eligibility and limits for Overland Water coverage. Geocoding is an advanced approach to mapping risks, and enables us to assess a Homeowner's risk with more accuracy than assigning an Overland Water Territory based on a postal code.

What is geocoding?

Geocoding is a process of transforming the description of a location such as an address to a geographic location on the Earth's surface. Geocoding pinpoints the specific location of the customer's risk address (longitude and latitude), and is therefore more precise than only using a postal code when assigning an Overland Water territory.

The following factors are used to determine a customer's exposure when assigning an Overland Water territory:

- Elevation of the risk location
- Topography of the risk location, such as where water can flow, accumulate and/or spread
- Surrounding bodies of water such as rivers, lakes or canals
- Historical rainfall statistics
- Historical river flow data
- Soil permeability
- Severity and frequency of events
- Snow-melt accumulation
- Man-made structures that may alter the flow of water (e.g. dams, dikes, floodways, and reservoirs)

Postal Code Territories vs. Geocoding Territories

Sewer Back-up coverage eligibility and limits are based on postal codes, whereas Overland Water coverage eligibility and limits are predominantly based on geocoding. In rare instances where we are unable to geocode a particular risk, we will use the risk postal code to determine its coverage eligibility and limits.

Risks in close proximity with different Territories

Sewer back-up and Overland Water territories are assigned independently of one another. A customer will always be assigned a separate territory for each coverage option. For example, if a customer's property backs onto a lake, it may be considered to be in a low-risk territory for Sewer Back-up due to the risk's postal code; however it may also be considered to be in a high-risk territory for Overland Water due to the geocoding process.

Scenarios may also arise when two risks on the same street or with the same postal code are assigned different Overland Water Territories. Since geocoding is based on availability of data at an individual risk level, we can determine the level of exposure to each individual customer. For example, two customers reside on the same street which is sloped. The customer who resides at the higher end of the slope is likely going to have a different Overland Water Territory associated with their risk than the customer who resides at the lower gradient. Geocoding considers the elevation of each location to determine which Overland Water territory they would be eligible in.

Sewer Back-up and Overland Water territories

Coverage	Territories	Territory Assignment Method
Sewer Back-up	01 to 06	Postal code
Overland Water	01 to 07	Geocoding or postal code

If you have additional questions or require more information on geocoding and how it applies to the Overland Water component of the Enhanced Water Damage Package, please contact your Intact Insurance Personal Lines representative.

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