



HOTEL DEDUCTIBLE BUYDOWN COVERAGE

When a catastrophe strikes, commercial property owners often find they're facing extremely high deductibles — sometimes into the tens of millions of dollars. ACE's Hotel Deductible Buydown policy is designed to address this exposure. Available as either standalone or follow form coverage, the Hotel Deductible Buydown policy covers a large portion of an insured's deductible, with the potential to reduce it to a minimum of \$100,000.

How It Works

A policyholder insures a property valued at \$200 million, agreeing to a standard market deductible of 5 percent. A large hurricane hits the area and the insured is facing a \$10 million deductible, a significant impact to any organization's bottom line. With ACE's Hotel Deductible Buydown coverage, the deductible could be reduced to \$100,000 — saving the organization \$9.9 million in losses.

Benefits & Coverage

- Available as standalone named storm, flood or earthquake coverage or can follow the form of the primary Property, Captive or Builders Risk policy
- Multiple occurrences within a single policy period with an annual aggregate cap
- Policies can be annual or multi-year with single or multiple aggregate limits per policy period
- Simple policy language to follow the core program wording
- Suitable for managing high per occurrence deductibles
- Available for long term construction projects spanning multiple years
- Admitted policy
- Not subject to surplus lines taxes/surcharges
- Customizable for a wide range of industries and clients, from multinationals to large U.S. companies and small businesses

Minimums & Limits

- Minimum deductible of \$100,000
- Minimum premium of \$100,000
- Limit up to \$30 million



insured.™

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The product information above is a summary only. The insurance policy actually issued contains the terms and conditions of the contract. All products may not be available in all states. Surplus lines insurance is sold only through licensed surplus lines producers.

The claim scenarios described here are hypothetical and are offered solely to illustrate the types of situations that may result in claims. These scenarios are not based on actual claims and should not be compared to an actual claim. The precise coverage afforded by any insurer is subject to the terms and conditions of the policies as issued. Whether or to what extent a particular loss is covered depends on the facts and circumstances of the loss, the terms and conditions of the policy as issued and applicable law.

ACE USA is the U.S.-based retail operating division of ACE Group, a global leader in insurance and reinsurance, serving a diverse group of clients. Headed by ACE Limited (NYSE: ACE), a component of the S&P 500 stock index, ACE Group conducts its business on a worldwide basis with operating subsidiaries in 54 countries.

