



FIREMAN'S FUND ANNOUNCES SURFACE WATER AND FLOOD COVERAGE
Fireman's Fund endorsement goes beyond typical homeowner's insurance and NFIP coverage

NOVATO, Calif June 7, 2006 - With the risk of damage from surface water and flood becoming more prevalent in even low to moderate flood zones, Fireman's Fund Insurance Company has launched a Surface Water and Flood endorsement to its Prestige Home Premier® policy. Fireman's Fund is one of the few private insurers offering flood coverage to new and existing customers.

"There are flood and surface water risks in every region, terrain and climate," said Bob Courtemanche, president of Fireman's Fund Personal Insurance. "In fact, flood risks occur in all 50 states and with annual snow and rainfalls increasing, the threat of water damage is increasing as well."

Flood insurance is rarely available anywhere in the country except through the federal National Flood Insurance Program (NFIP), which has limits of \$250,000 on dwellings and \$100,000 for personal property. The Fireman's Fund coverage option contains no such limits and can go as high as the dwelling and contents limits of the Prestige Home Premier policy.

"The limitations of an NFIP policy may not be sufficient for today's finest homes," said Courtemanche. "In addition to providing more than adequate excess coverage over and above NFIP, no other insurer offers flood coverage as complete in terms of property covered, limits or possible flood zone locations as Fireman's Fund."

The Federal Emergency Management Agency (FEMA) calls flood the #1 natural hazard occurring in all 50 states. Even homeowners in low-risk areas can sustain water damage from melting snow, storms or from collapse of land along a body of water caused by erosion. And although most homeowners policies provide some coverage for backup of sewers and drains, flood and surface water is specifically excluded.

"Our policy provides coverage for needs not fully recognized by other carriers such as upgrades required by law or ordinance," said Courtemanche. "Our coverage for possessions such as jewelry, collectibles and business property are the same as our Prestige Home Premier policy and much higher than the NFIP limit. And if displaced from a home as a result of a covered flood loss, a Fireman's Fund customer can maintain their lifestyle level with Unlimited Loss of Use coverage of up to one year if the homeowner must rebuild elsewhere."

Excluded from most competitors' policies (including the NFIP program), Fireman's Fund coverage also includes \$100,000 for flood damage to any combination of the following:

- o Underground structures and equipment, such as wells and septic tanks
- o Walkways, decks, driveways, and patios
- o Fences, retaining walls, seawalls, piers, bridges and docks
- o Hot tubs, spas and swimming pools

Finished basements can easily cost well over \$30,000 and the contents in that basement can also run into the tens of thousands of dollars. This is well beyond the sublimits other carriers use to

restrict coverage where the loss is most likely to occur. Our Surface Water/Flood endorsement has no sublimits for real or personal property in a basement and addresses a critical customer need.

Fireman's Fund Insurance Company is a premier property and casualty insurance company providing personal, commercial and specialty insurance products nationwide. Fireman's Fund is a member of the Allianz Group (NYSE: AZ), one of the world's largest providers of property and casualty insurance and other financial services. For additional information, visit www.firemansfund.com.

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