



The Leak Defense System: A Wise Investment in Protecting Your Home



Investing in the safety of your home has always been wise. Now you can save as you do so through our unique agreement with the maker of the Leak Defense System.

Prevent water damage, a common and costly cause of loss

A cracked hose to your washing machine, a leaking water heater, or a frozen pipe that bursts can cause tens of thousands of dollars in damage, especially if you happen to be asleep or away for even a few hours when they occur. The Leak Defense System provides a state-of-the-art solution for preventing such loss.

| <u>Cause of Loss</u> | <u>Average Cost</u> | <u>Cause of Loss</u> | <u>Average Cost</u> |
|----------------------|---------------------|----------------------|---------------------|
| Freezing | \$36,589 | Appliance leakage | \$13,467 |
| Faulty plumbing | \$17,250 | Bathroom fixtures | \$10,799 |

How the Leak Defense System works

The Leak Defense System automatically detects leaks and shuts off the water supply to your home. It has two main components:

- **Water flow sensor and shut-off valve:** Sensor with shut-off valve is installed on your main water supply. If desired, remote point-of-leak sensors can be installed at other key points in your plumbing system and integrated into the Leak Defense System.
- **Control panel and alarm:** The control panel allows you to tell the system to automatically shut off the water supply if the water flow exceeds a certain level. The control panel will also sound an alarm, help you or your plumber identify the source of the leak, and can be integrated into a home security system — an especially useful feature when you are away from home.

How you can save

- Discount of 35 to 40 percent off of the MSRP for the Leak Defense System – a value of \$600 to \$1,000.
- Discount of five to seven percent off of the annual premium for your Home policy.
- Water bill that is 14 percent lower, if your home loses the same amount of water as the average home.
- Most importantly, no need to pay the full amount of your deductible because you've prevented or greatly minimized the loss in the first place. Clean-up may cost only few hundred dollars or nothing at all.

The combination of savings and loss prevention makes the benefit far outweigh the cost. Below is a cost-benefit analysis based on a client with a home insured for \$1 to \$1.5 million and a \$2,500 deductible.

| Cost | Benefit |
|---|--|
| \$2,500 for installation (including price of the Leak Defense System with discount and installation by plumber) | \$2,500 deductible payment if loss avoided \$200 annual savings in Home premium \$140 annual savings in water bill |

For more information, visit www.leakdefensesystem.com or call 866-450-1190.

Consult your independent insurance agent to learn the specific premium discount available in your state.

Important Notice: Average cost by cause of loss is based on claims paid by ACE Private Risk Services in 2008. Equipment and installation costs will vary based the size and complexity of home. Premium discounts vary by state and are taken on the base premium for the home. The cost-benefit analysis is based on a hypothetical home reflective of the average target client for ACE Private Risk Services.