

FLOOD FACTS

A newsletter for agents of American Bankers Insurance Company of Florida / American Reliable Insurance Company.



ASSURANT
Specialty
Property

December 2006

Claims Information

American Bankers Insurance
Company of Florida
American Reliable Insurance
Company

Flood Claim Center
8655 E Via De Ventura
Scottsdale, AZ 85258

Phone

1-800-245-1505

Fax

1-800-224-4170

Hours of operation:

Mon-Fri 5:30am-5:00pm PST

Claim status, please call:

1-800-245-1505

If you need help to submit a claim via AccessFlood, call the Flood Service Center at 1-800-423-4403.

www.floodsmart.gov

An official site of the
National Flood Insurance
Program (NFIP)

WATERMARK is published 3 times a year by the National Flood Insurance Program (NFIP). The current issue and selected back issues of Watermark are available at:

www.fema.gov/business/nfip/wm.shtm

NEW WEBSITE!!!!

www.abicaricflood.com

American Bankers Insurance Company of Florida / American Reliable Insurance Company have a new website!!

Need to contact us? Need forms or brochures? Looking for a Link to the National Flood Insurance Program? Need an address for mailing new applications and/or renewals? You can find this and more on the website.

Easy to find and easy to use! www.abicaricflood.com

Flood Facts Available at www.abicaricflood.com.

Effective January 2007 the Flood Facts will be available on the new website at www.abicaricflood.com. A copy will no longer be sent to individuals via email.

New Elevation Certificate Requirement

FEMA's new Elevation Certificate (EC) was approved for use, effective February 13, 2006, through February 28, 2009. **Elevations certified on or after January 1, 2007, must be submitted on the new form and must include two photographs.** The new form has been revised and now requires the certifier to provide the square footage of the enclosed area below the elevated floor and at least two photographs of the building, if the EC is being used to obtain flood insurance.

The new EC will be phased in on a voluntary basis until December 31, 2006. An electronic version of the form and instructions are available on the FEMA website <http://www.fema.gov/business/nfip/elvinst.shtm>. Although the old version of the form is no longer available for distribution, existing copies may be used until the end of 2006. <http://www.fema.gov/business/nfip/elvinst.shtm>

Clarification of Photograph Requirement Information

1. For new business effective on or after January 1, 2007, all photographs must be taken within 90 days of the submission date, which is the mailing date, not within 90 days of the Elevation Certificate (EC) certification date. If the EC certification date is older than 90 days, the insured or agent must provide photographs taken within 90 days of the submission date.
2. A building in the course of construction, without the as-built elevations, can obtain a policy based on proposed elevations, even though photographs are not submitted. However, prior to the policy being renewed, a revised EC with as-built elevations must be provided along with photographs.

Contact Information

New Business Applications, Rollovers, Endorsements, Cancellations and Other Correspondence

American Bankers Insurance
Company of Florida

American Reliable Insurance
Company

Flood Service Center

PO Box 4337

Scottsdale, AZ 85261-6099

Overnight Mail

American Bankers Insurance
Company of Florida

American Reliable Insurance
Company

Flood Service Center

8655 E Via De Ventura

Scottsdale, AZ 85258

Flood Service Center

Phone

1-800-423-4403

Fax

480-483-1675

480-607-0739

E-mail

flood.service.center@assurant.com

Hours of Operation

Mon-Fri 5:30am-4:30pm MST

Lockbox Address for Renewal Payments Only

American Bankers Insurance
Company of Florida

American Reliable Insurance
Company

PO Box 8437

Philadelphia, PA 19101

2006 Holiday Schedule

Our office will be closed on the
following days:

December 25 – Christmas Day

3. Use of the photograph form is not a requirement for photograph submissions as long as the date the photographs were taken is provided and attested.

4. An EC that is not submitted with photographs is considered an invalid EC unless the building is in the course of construction. Each WYO Company may use its current business practice in handling ECs without photographs, whether this is using tentative or provisional rates, or rejecting the application.

Severe Repetitive Loss Program Implementation

Background

The Flood Insurance Reform Act of 2004 (FIRA) authorized establishment of a Severe Repetitive Loss (SRL) Pilot Program for mitigation of SRL properties. The primary objective of the SRL properties strategy is to eliminate or reduce the damage to property and the disruption to life caused by repeated flooding. Approximately 8,300 insured properties have been identified with a high frequency of losses or a high value of claims.

SRL Property Loss Characteristics

The SRL group consists of any NFIP insured property that has met at least one of the following paid flood loss criteria since 1978, regardless of ownership:

- (1) Four or more separate claim payments of more than \$5,000 each (including building and/or contents payments); or
- (2) Two or more separate claims payments (building payments only) where the total of the payments exceeds the current market value of the property.

In either case, two of the claims payments must have occurred within 10 years of each other. Multiple losses at the same location within 10 days of each other are counted as one loss, with the payment amounts added together.

Policies with effective dates on or after October 1, 2006, that are currently written through the Special Direct Facility (SDF) as part of the Repetitive Loss Target Group program, but do not match the loss characteristics of the SRL group, will be identified by the NFIP Bureau and SDF. The SDF will notify the policyholder, mortgagee, and agent at least 90 days prior to the renewal date informing them that their flood insurance must be issued through a participating WYO Company or the NFIP Servicing Agent. Policies previously transferred to the SDF can be moved back to the WYO Company at renewal!

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Loss Assessment and the Condominium Unit Owner Policy

If the insured has building coverage (Coverage A) under the Dwelling Policy (residential condominium unit only), the insured would have up to the limit of liability they purchased under their building coverage for loss assessment.

However, the unit owner policy will not pay any loss assessment charged against the insured:

1. And the condominium association by any governmental body;
2. That results from a deductible under the insurance purchased by the condominium association;
3. For personal property, including contents of a condominium building;
4. If the association has a Residential Condominium Building Association Policy (RCBAP) that was not insured to at least 80% of replacement cost or the maximum amount of coverage available, and therefore the RCBAP had a co-insurance penalty;
5. To the extent that payment cannot exceed the maximum amount of insurance permitted under the under the unit owner policy alone or in combination with the NFIP condominium association policy for the same building loss.

Also, the assessment must be made as a result of **direct physical loss by or from flood** during the policy term to the building's common elements. The assessment coverage is only provided for items covered under the NFIP Flood policy (example: pool damage and landscaping is excluded under the Flood policy and therefore would be excluded under loss assessment).

A completed description of the Loss Assessment Coverage is provided under the Dwelling Policy Form on Page 6, C. Coverage C – Other Coverages – 3. Condominium Loss Assessment.

Our brochure, Considerations for Residential Condominium Unit Owners, is available for free to our agents. Please complete the Supply Order Form, on AccessFlood to order some for your office."

Replacement Cost Value (RCV)

RCV is the cost to replace property with the same kind of material and construction without deduction for depreciation. The cost of the building foundation should be included when determining the replacement cost value. If the RCV is not included on a new business application the System will not provide a premium amount.

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AccessFlood- More Than Just Quoting & Applications!

Have you taken the time to see what else is out there for you on AccessFlood? For instance, the Flood Facts monthly newsletter is on AccessFlood under Links- just click on Flood Facts and there you have it in pdf format to share with co-workers and staff. Have a request from a policyholder for a copy of their applicable policy? Just click on Help, then select Pdf Forms. Besides the links for the Dwelling Policy, the General Property Policy and the Residential Condo Policy, there are many others. Need some information from the NFIP manual? Select Links, then Flood Insurance Manual. Some of the other info found under Links is our contact information, a link to an excess flood carrier and the rating tables. Our contact information is found under either American Bankers Info or ARIC Info and shows our telephone & fax numbers, mailing addresses and hours of operation. Also at the bottom of the page are links to various pdf forms including the application, Parts 1 & 2, the supply order form and the declination form.

Take a couple of minutes and explore AccessFlood- you will be surprised at the wealth of information available to you!

AccessFlood Web Training

The Flood Service Center is committed to providing the best training programs to our agents. Have you signed up to have an AccessFlood training class? It won't take more than 1.5 hours. The class is conducted via Web training. Call to schedule a training session and let us help you write more FLOOD business.

AccessFlood: This class is approximately 1 hour (no CE Credits available) and is conducted via Live Meeting. Live Meeting is a web training tool that allows you to actively participate during the training class. To schedule a class, or if you have any questions, please contact: Jayne Stotts at 800-423-4403 x346, by email: Jayne.Stotts@Assurant.com or Holly Lindberg at 800-423-4403 x364, by email: Hollyrae.Lindberg@Assurant.com

Continuing Education: The Fundamentals of Flood Insurance class is 4 hours (4 CE Credits) in most states. We also have an Advanced Flood Insurance class that is 4 hours (4 CE Credits). For more information on our CE Classes, please contact, Patty Latshaw @ 800-423-4403 x520 or by email: Patricia.Latshaw@Assurant.com.