

FLOOD FACTS

A newsletter for agents of American Bankers Insurance Company of Florida

www.abicflood.com

July 2009



ASSURANT
Specialty
Property

Claims Information

American Bankers Insurance
Company of Florida

PO Box 6099

Scottsdale AZ 85261-6099

8655 E Via De Ventura

Scottsdale, AZ 85258

Email

claims.department@assurant.com

Phone 1-800-245-1505

Fax 1-800-224-4170

Hours of operation: "24 Hours"

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 Email Addresses

The Flood Service Center now has email addresses specifically for submission of rollover and submit-for-rate quote requests. The direct email addresses will help to provide faster turn around time when contacting the Flood Service Center. Continue to use the general email address at flood.service.center@assurant.com for any other email submissions.

- flood.rollovers@assurant.com - rollover requests
- submitforrate@assurant.com - submit for rate quotes

Personal Property

1. Personal property flood insurance coverage insures against **direct physical loss by or from flood** to personal property inside a **building** at the **described location**, if:
 - a. The property is owned by the insured or by the insured's household family members; and
 - b. The property is owned by guests or servants.

Personal property is also covered for a period of 45 days at another location

Personal property removed to another building that is not fully enclosed must be secured to prevent flotation out of the **building**. If the personal property does float out during a **flood**, it will be conclusively presumed that it was not reasonably secured. In that case there is no coverage for such property.

2. Coverage for personal property includes the following property
 - a. Air conditioning units, portable or window type;
 - b. Carpets, not permanently installed, over unfinished flooring;
 - c. Carpets over finished flooring;
 - d. Clothes washers and dryers;
 - e. "Cook-out" grills;
 - f. Food freezers, other than walk-in, and food in any freezer; and
 - g. Portable microwave ovens and portable dishwashers.

Contact Information**New Business Applications,
Rollovers, Endorsements,
Cancellations and Other
Correspondence**

American Bankers Insurance
Company of Florida
Flood Service Center
PO Box 4337
Scottsdale, AZ 85261-4337

Flood Service Center

Phone
1-800-423-4403
Fax
1-714-712-3842

Email

flood.service.center@assurant.com
submitforrate@assurant.com
flood.rollovers@assurant.com

Overnight Mail

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Company of Florida
Flood Service Center
8655 E Via De Ventura
Scottsdale, AZ 85258

Hours of Operation

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

Lockbox Address for**Renewal Payments Only**

American Bankers Insurance
Company of Florida
PO Box 29861
Phoenix, AZ 85038-9861

2009 Holiday Schedule

7/3 Independence Day
9/7 Labor Day
11/26 Thanksgiving
11/27 Day after Thanksgiving
12/25 Christmas Day

3. Coverage for items of property in a **building** enclosure below the lowest elevated floor of an **elevated post-FIRM building** located in Zones A1-A30, AE, AH, AR, AR/A, AR/AE, AR/AH, AR/A1-A30,V1-V30, or VE, or in a **basement**, regardless of the zone, is limited to the following items, if installed in their functioning locations and, if necessary for operation, connected to a power source:
 - a. Air conditioning units, portable or window type;
 - b. Clothes washers and dryers; and
 - c. Food freezers, other than walk-in, and food in any freezer.
4. Tenants that have insured personal property coverage will also have coverage for their cooking stove or range and refrigerator.
5. If the owner of a **unit** has insured personal property coverage will include interior walls, floor, and ceiling (not otherwise covered under a flood insurance **policy** purchased by a **condominium association**) for not more than 10 percent of the limit of liability shown for personal property on the **Declarations Page**. Use of this insurance is at the insured's option but reduces the personal property limit of liability.
6. **Special Limits.** No more than \$2,500 for any one loss to one or more of the following kinds of personal property:
 - a. Artwork, photographs, collectibles, or memorabilia, including but not limited to, porcelain or other figures, and sports cards;
 - b. Rare books or autographed items;
 - c. Jewelry, watches, precious and semiprecious stones, or articles of gold, silver, or platinum;
 - d. Furs or any article containing fur which represents its principal value; or
 - e. Personal property used in any business.
7. Coverage is provided only for the functional value of antiques.

SUMMARY OF OCTOBER 2009 RATE AND RULE CHANGES

Unnumbered A Zone: Pre-FIRM buildings in an Unnumbered A Zone with a basement, enclosure, or crawlspace may use Post-FIRM rates if the rates are more favorable to the insured.

New Building Types: Two new building types have been added, elevated on crawlspace and non-elevated with subgrade crawlspace.

Floodproofing Eligibility: New indicators will be used to address communities that have lost their floodproofing eligibility.

Building Construction Date: WYO Companies must report the source of the building construction date..

Contact Information

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Scottsdale, AZ 85261-4337

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Grandfathering Information: In addition to providing grandfathering information on the revised Flood Insurance Application form, WYO companies must also include the grandfathering indicator on the front of the flood insurance policy declarations page.

Underwriting Forms: Changes to the Flood Insurance Application, PRP Application, and General Change Endorsement forms will capture additional community, building, and construction information..

Leased Federal Properties: A new Risk Rating Method has been developed for any property leased from the Federal Government identified as being on the river-facing side of any dike, levee, or other riverine flood control structure, or seaward of any seawall or other coastal flood control structure. Such properties must be charged actuarial rates.

Presentment of Premium Date Requirements: FEMA will require WYO companies to record the presentment of premium date and payee on all new business applications and money endorsements effective on or after October 1, 2009.

Premium Increases

Premiums will increase an average of 8% for policies written or renewed on or after October 1, 2009. In addition to the impact of selected rate changes, there are two additional changes.

- **Regular Program basic insurance limits** are increasing for all categories of building and contents coverage as follows.
 - 1-4 Family Dwelling Building Coverage: Basic limit increases from \$50,000 to \$60,000.
 - Other Residential and Non-Residential Building Coverage: Basic limit increases from \$150,000 to \$175,000.
 - Residential Contents Coverage: Basic limit increases from \$20,000 to \$25,000.
 - Non-Residential Contents Coverage: Basic limit increases from \$130,000 to \$150,000
- **Standard Deductibles**
 - The NFIP is discontinuing the \$500 deductible for all properties.
 - Post-FIRM Properties: The standard deductible increases from \$500 to \$1,000.
 - Pre-FIRM Properties: The standard deductible increases from \$1,000 to \$2,000.

The premium increases vary by zones as described below.

- **V Zones** (coastal high-velocity zones)
 - Larger rate increases are being implemented again this year as a result of the Heinz Center's Erosion Zone Study, which clearly indicates that current rates significantly underestimate the increasing hazard from steadily eroding coastlines.
 - Post-FIRM V Zones: Premiums will increase 10%.
 - Pre-FIRM V Zones: Premiums will increase 10%.
- **A Zones** (non-velocity zones, which are primarily riverine zones)
 - Post-FIRM A1-A30 and AE Zones: Premiums will increase 10%.
 - Pre-FIRM AE Zones: Premiums will increase 10% to slightly decrease the amount of subsidy in our Pre-FIRM rate.

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- AO, AH, AOB and AHB Zones (shallow flooding zones): Premiums will increase 8%.
- Unnumbered A Zones (remote A Zones where elevations have not been determined): Premiums will increase 10%.
- A99 Zones (approved flood mitigation projects e.g., levees still in the course of construction) and AR Zones: Premiums will increase 10%.
- X Zones (zones outside the Special Flood Hazard Area)
 - Standard Risk Policy: Premiums will increase 8%.
 - Preferred Risk Policy (PRP): Premiums will remain unchanged.
- Mortgage Portfolio Protection Program (MPPP): Premiums will increase about 10%.

Training:**Continuing Education Requirements**

State Departments of Insurance are taking various actions to establish training requirements for insurance agents who sell flood insurance, as outlined in Section 207 of the Flood Insurance Reform Act of 2004 (Public Law 108-264). All but two States (Montana and Georgia), Puerto Rico and the U.S. Virgin Islands have published training requirement documents.

A listing of training requirements by State is located at http://www.fema.gov/business/nfip/state_actions.shtm.

Training Options:

The National Flood Insurance Program (NFIP) Basic Agent Tutorial is a web-based flood insurance training course for agents. It is available free of charge on the NFIP Training Station Website:

<http://www.nfipbureau.fema.gov/training/index.html>.

All but three States (Montana, Michigan, and Massachusetts), Puerto Rico and the U.S. Virgin Islands have agreed to award three (3) continuing education credits to agents who successfully complete the Basic Agent Tutorial course.

Registration instructions are also provided on the training website. Enhancements to the training system include user-friendly navigation and a personal page allowing students to track their training progress.

On the NFIP training web page, insurance agents, lenders, and claims adjusters can also find a schedule of instructor-led workshops offered in locations across the country. They can register online for these workshops through the training web page.

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American Bankers Insurance Company of Florida offers two different Flood Insurance Training Classes for our agents and producers

- The Fundamentals of Flood Insurance class is 4 hours (4 CE Credits) in most states.
- Advanced Flood Insurance class that is 4 hours (4 CE Credits). For more information on our CE Classes, please visit our website at www.abicflood.com and select Education.

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 will take no more than 1.5 hours. Call or email to schedule a training session and let us help you write more flood business. Please contact: Rebecca Burton at 800-423-4403 x353, or (email: Rebecca.Burton@Assurant.com).



Hurricane Season June 1st – November 30th
Are your clients covered?

The Flood Service Center will be closed in
observance of Independence Day on
Friday, July 3, 2009