

Client Claims Information

American Bankers Insurance
Company of Florida
PO Box 6099
Scottsdale AZ 85261-6099

8655 E Via De Ventura
Scottsdale, AZ 85258
Email Address:
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.



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What would you like to see in upcoming issues of Flood Facts? Email your suggestions to Rebecca. Burton@Assurant.com

Single Page Applications UPDATE!

The single page application will be released from production before the end of this year!



Completing the new single page will be more user friendly and will help reduce the chance for mis-rating applications. Watch for this new enhancement on AccessFlood possibly as early as mid-November.

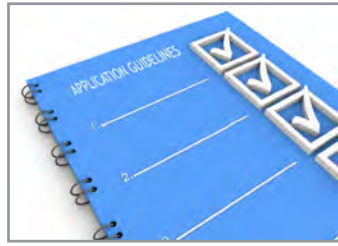
TAKE A BREAK!

Test your Flood knowledge and have some fun!

See page 7 of this issue.



After collecting premium for the application, the premium will need to be submitted with the following items to our office to be underwritten and issued. The application will not be accepted unless the following items are submitted. At the underwriter's discretion, additional documentation or photos may be required before the policy is issued.



If the application is a Preferred Risk Policy (PRP), the following items are required:

- ✓ Application signed and dated by an Agent
- ✓ Application part 2 will need to be completed if the building is a mobile home
- ✓ Flood Zone Determination dated within 90 days of the application date

If the application is a Preferred Risk Policy (PRP) eligible for the 2-year extension program, the following items are required:

- ✓ Application signed and dated by an Agent
- ✓ Application part 2 will need to be completed if the building is a mobile home
- ✓ Flood zone documentation supporting both the current and previous flood zones; documentation can be:
 - Recent Flood Zone Determination
 - Signed letter from a local community official
 - FEMA Flood Insurance Rate Map (FIRM) that clearly indicates the property location on the map

If the application is a Standard Flood Insurance Policy (SFIP) rated without an Elevation Certificate, the following items are required:

- ✓ Application signed and dated by an Agent
- ✓ Application part 2 will need to be completed if the building has a basement, is an elevated building, or is a mobile home

If the application is a Standard Flood Insurance Policy (SFIP) rated with an Elevation Certificate, the following items are required:

- ✓ Application signed and dated by an Agent
- ✓ Application part 2
- ✓ Elevation Certificate
- ✓ Clear color photos of the front and back of the building taken and dated within 90 days of the

application date. If the building is a split-level or has multi-level areas at ground level, at least two additional photographs showing views of both sides of the building must be submitted

- ✓ If the building has flood vents, one or more photographs must clearly show the openings. If vents are considered "Engineered" certification must be submitted.

If the application is a Residential Condominium Building Association Policy (RCBAP), the following items are required:

- ✓ Application signed and dated by an Agent
- ✓ Application part 2
- ✓ Elevation Certificate (if applicable)
- ✓ Clear color photos of the front and back of the building taken and dated within 90 days of the application date. If the building is a split-level or has multi-level areas at ground level, at least two additional photographs showing views of both sides of the building must be submitted.
- ✓ If the building has flood venting and there is a discrepancy between the actual numbers or size of the installed vents than what is reflected on the Elevation Certificate, photos of the vents are required.
- ✓ Current replacement cost documentation (must be dated within one year of application date)
- ✓ Condominium bylaws if Insured name does not contain "Condominium"

If the application is a Submit-for-Rate policy, in addition to the items required for each policy type listed above, the following additional items are required:

- ✓ Elevated Building Determination signed by the Insured (if the building is elevated)
- ✓ Statement of Variance form signed by the Insured or Agent
- ✓ If the building is under construction, copies of the blueprints (layout of the building) is required
- ✓ Non-elevated buildings in Post-1981 V1-V30 or VE zones: foundation/structural plans are required



PREMIUM INCREASES

Premiums will increase an average of 4% for policies written or renewed on or after October 1, 2011. The average premium change by zone varies as described below. The premium for a particular policy may change more or less than the average change.

- **V Zones** (coastal high-velocity zones) 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 4%.
 - Pre-FIRM V Zones: Premiums will increase 7%.
- **A Zones** (non-velocity zones, which are primarily riverine zones)
 - Post-FIRM A1-A30 and AE Zones: Premiums will increase 5%.
 - Pre-FIRM AE Zones: Premiums will increase 5% to slightly decrease the amount of subsidy in our Pre-FIRM rate.
 - **AO, AH, AOB and AHB Zones** (shallow flooding zones): Premiums will increase less than 1%.
 - **Unnumbered A Zones** (remote A Zones where elevations have not been determined): Premiums will increase 6%.
 - **A99 Zones** (approved flood mitigation projects, e.g., levees still in the course of construction) and AR Zones: Premiums will increase 5%.
- **X Zones** (zones outside the Special Flood Hazard Area)
 - Standard Risk Policy: Premiums will increase 5%.
 - Preferred Risk Policy (PRP): Premiums will remain unchanged.
- **Mortgage Portfolio Protection Program (MPPP):** Premiums will increase about 5%.
- **Provisional and Tentative Rates:** Provisional rates and tentative rates were revised.

RATE CHANGES

Elevation Rating: FEMA will require elevation rating for all new business applications for policies covering Post-FIRM buildings in Zones AH, AO, and unnumbered A. Policies for buildings in unnumbered

A and AH zones will require an Elevation Certificate (EC); policies for buildings in Zone AO will require an EC or a letter of compliance from the community official. This requirement does not apply to transfer/rollover transactions.

Optional Rating for Zones AO, AH: "With Certification of Compliance" rates are to be used when the EC shows that the lowest floor elevation used for rating is equal to or greater than the community's elevation requirement. This rule applies to all building types, including buildings with Basement/Enclosure/Crawlspace/Subgrade Crawlspace.

Optional Reduction of Coverage When Converting a PRP Issued in Error to a Standard-Rated Policy: When converting a Preferred Risk Policy (PRP) that was issued in error to standard rating, the insured will be provided 30 days from notification of the underpayment to elect to delete or reduce coverage in order to wholly or partially reduce the underpayment amount. This change must be implemented no later than October 1, 2011, but may be implemented sooner.

The following elements must be included in the underpayment notification:

- The previous coverage amount;
- The underpayment amount for the previous coverage limits;
- Reduced amount of coverage based on premium already received;
- Option to adjust coverage within the original coverage limits within 30 days of the underpayment notification; and
- Statement that any related additional premium due must be included with the endorsement request and received within 30 days of the underpayment notification.

In addition to validating the flood zone for PRPs, the insurer must validate the building's loss history against the Repetitive Loss file provided by the NFIP before issuing new business or sending renewal notices for existing PRPs.

CBRS Documentation Requirements: Specific documentation must accompany the Flood Insurance Application as evidence of the eligibility for flood insurance of buildings located on map panels that contain Coastal Barrier Resource System (CBRS) areas

or Otherwise Protected Areas (OPAs). Acceptable documentation includes 1 of the following:

- A copy of the most recent flood map panel marked to show the exact location of the building;
- A letter indicating that the building is not located in a CBRS area or OPA, signed and dated by a local community official;
- An EC indicating that the building is not located in a CBRS area or OPA, signed and dated by a surveyor, an engineer, an architect, or a local community official;
- A flood zone determination certification indicating that the building is not located in a CBRS area or OPA, that guarantees the accuracy of the information; or
- A letter from the U.S. Fish and Wildlife Service stating that the building is not located in a CBRS area or OPA.

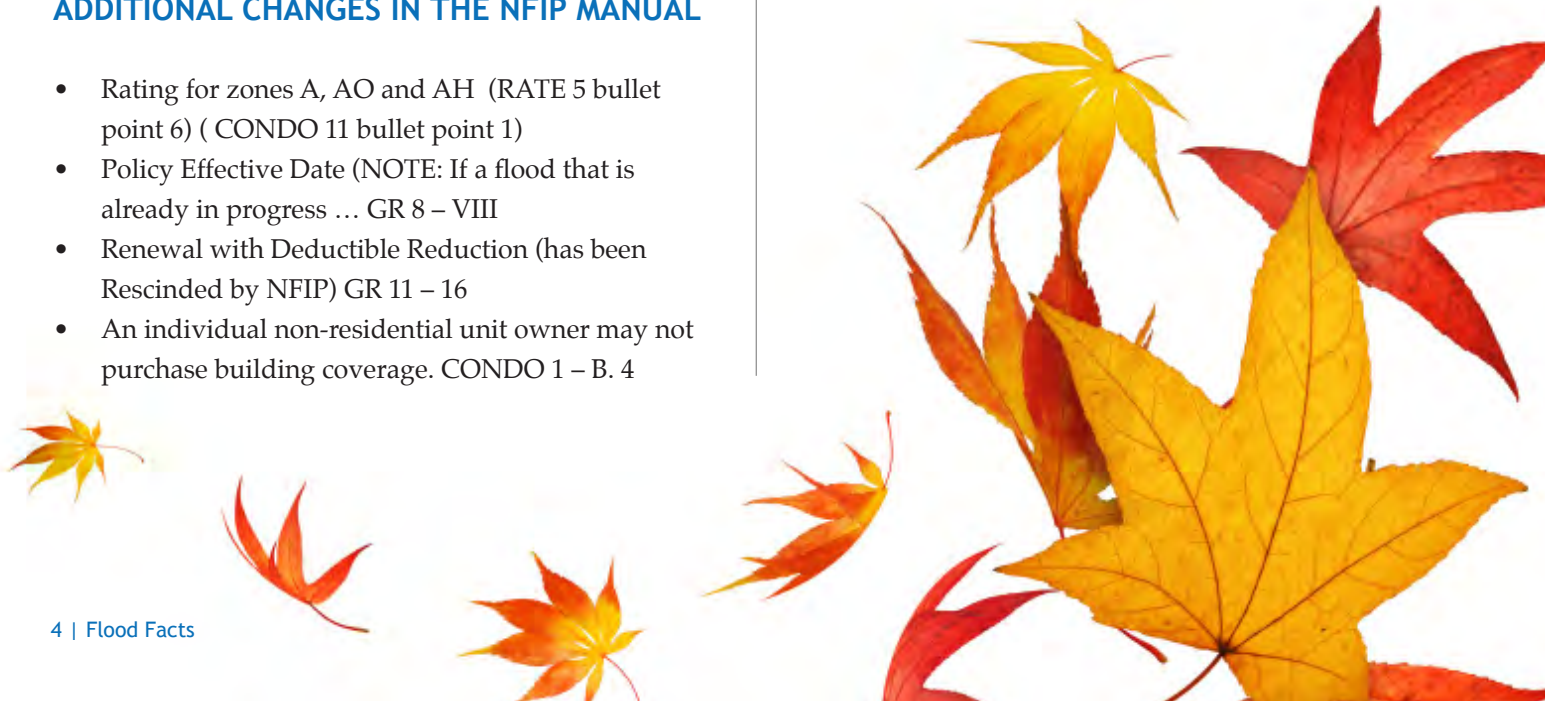
Severe Repetitive Loss Processing Requirements:

- Insurers will be required to submit the underwriting file, including all supporting documentation, to the Direct Servicing Agent (Attention: Underwriting Department) within 30 days of notification that the policy was identified as an SRL. This requirement applies to SRL policy renewals beginning March 1, 2012.
- The sample letters in the SRL section of the Flood Insurance Manual have been modified to address the ineligibility of nonresidential buildings for the SRL Grant program. The revised letters should be used beginning October 1, 2011, for SRL policy renewals beginning January 1, 2012. Copies of the revised letters are included as an attachment to this summary. Please note that the letters on pages SRL 9-13 are for use only by the Direct Servicing Agent.

ADDITIONAL CHANGES IN THE NFIP MANUAL

- Rating for zones A, AO and AH (RATE 5 bullet point 6) (CONDO 11 bullet point 1)
- Policy Effective Date (NOTE: If a flood that is already in progress ... GR 8 – VIII)
- Renewal with Deductible Reduction (has been Rescinded by NFIP) GR 11 – 16
- An individual non-residential unit owner may not purchase building coverage. CONDO 1 – B. 4

- Lowest Floor Guide Section - additional building drawings have been added
- FLG 1-84
- 1 or more photographs must clearly show the openings ... CERT 1 – II Photo Requirements
- Floodproofing credit cannot be applied to buildings under construction. CERT 3 – IV. Floodproofing Certificate A.
- If a building elevated on a crawlspace has an attached garage without openings, it must be rated using the “With Basement or Enclosure” rate table PRP 10 - Building Type
- Cancellations Reasons 12 and 18 – Cancellation request must be received within 60 days of the date the mortgage was paid off. When request is received more than 60 days after the mortgage was paid off, there is no refund. CN 4-5
- Cancellation Reasons 9, 15, 19 – may be used even if the policy was rated in a Non-SFHA due to grandfathering or to the PRP 2-Year Eligibility Extension CN 3-5
- Cancellation Reason 22 – to process Cancel/Rewrite due to misrating, the policy must have no open or paid claim during the year(s) to be cancelled. Current year only is eligible for refund when converting a standard-rated X Zone policy to PRP.
- CN 6
- Other forms of acceptable documentation include the following: Community Official Letter, Elevation Certificate, Zone Determination, Letter from US Fish and Wildlife Service CBRS 2
- Foundation Walls - DEF 4
- Masonry Walls DEF 5



NFIP'S FLOOD TRAINING ONLINE WEBINARS AND WORKSHOPS

Webinars: NEW!! The NFIP is now offering Basic Agent training via a Webinar. This web based training does not provide CE Credits, unless specifically stated on their website below. The Webinar does provide a Certificate of Completion to all attendees for the FloodSmart cooperative programs and any WYO requesting proof of training.

- **Workshops (classroom style):** The NFIP's workshop, "Basic Agent Flood Seminar", provides 3 CE Credits to all licensed agents/producers except for those agents/producers licensed in the following three States (Montana, Michigan and Massachusetts) as well as agents/producers in Puerto Rico and the U.S. Virgin Islands.

For more information, on the NFIP Webinars or Workshops, please go to: http://www.nfipiservice.com/training/schedule_agents.html

***American Bankers Insurance Company of Florida offers two different Flood Insurance Training Classes that are "NFIP Compliant" for our agents and producers:

- **Level I - Fundamentals of Flood Insurance.** This



class covers all basic rules and requirements of completing a Standard Flood Insurance Application.

- **Level II - Advanced Flood Insurance.** This class would be for the more experienced agent. The class reviews the Fundamentals of Flood Insurance with emphasis on elevated buildings in Special Flood Hazard Areas, Condominiums, and coverage Limitations.

For more information on the Level I and Level II classes, including CE Credits available, please visit our website at www.abicflood.com and select Education and then select your State from the drop down box.



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: Flood Marketing Support at 800-423-4403 x8803, or (email: Flood.Marketing.Support@Assurant.com).

FLOOD SERVICE CENTER CONTACT INFORMATION

General mail address for 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

Overnight Mail Address
American Bankers Insurance Company of Florida
Flood Service Center
8655 E Via De Ventura
Scottsdale AZ 85258

Lockbox Address for Renewal Payments Only
American Bankers Insurance Company of Florida
PO Box 29861
Phoenix AZ 85038-9861

Email

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

Hours of Operation

Monday-Friday: 6:00am-4:00pm MST

Phone: 1-800-423-4403

Fax: 1-714-712-3842

2011 HOLIDAY SCHEDULE

Flood Service Center is closed:
Thanksgiving Day..... Nov. 24
Day after Thanksgiving Nov. 25
Christmas Day (Obs) Dec. 26

2012 HOLIDAY SCHEDULE

Flood Service Center is closed:
New Years Day (Obs)..... Jan. 2
Martin Luther King Jr. Day Jan. 16

Q&A

What is a basement?

The NFIP's definition of "basement" includes any part of a building where all sides of the floor are located below ground level. Even though a room may have windows and constitute living quarters, it is still considered to be a basement if the floor is below ground level on all sides.

What coverage is available in basements and in enclosed areas beneath the lowest elevated floor of an elevated building located in an SFHA built after the community entered the NFIP (Post-FIRM)?

Coverage is provided for foundation elements, including posts, pilings, piers, or other support systems for elevated buildings. Coverage also is available for basement and enclosure utility connections, as well as for certain mechanical equipment necessary for the habitability of a building, such as furnaces, water

heaters, clothes washers and dryers, food freezers and the food in them, air conditioners, heat pumps, electrical junctions, and circuit breaker boxes. Finished structural elements such as paneling and linoleum, and contents items such as rugs and furniture are not covered. The SFIP has a complete list of covered elements and equipment.

For a complete list of coverage, refer to any of the SFIP forms, Section III. Property Covered, Part A. Building Property - 8. a. (1) through (17) and b., for building items covered. For Personal Property, refer to Section III. Property Covered, Part B. Personal Property - 4. a., b., and c.



Demolition and Rebuild

If the Company is advised, after the fact, that a building has been demolished and a new building is already completed then the existing policy must be cancelled and a new policy issued for the new building. The following documentation must be submitted.

- **New Policy** - signed application, new elevation certificate, dated color photos and full premium. The rules for effective dates are followed.
- **Cancellation** - signed by agent and insured for duplicate coverage and the cancellation date is the effective date of the new policy. Documentation is the declaration page of the new policy.

If old policy expired before new policy took effect there is no cancellation. Premium is fully earned and non-refundable since there would have been coverage in the event of a loss.

The NFIP rules do not allow use of return premium from a cancellation to pay premium for new policy. Full premium must be submitted with application and applicable documentation.

Links to Additional Flood Information

www.FloodSmart.gov

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

www.nfipiservice.com/watermark/index.html

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:

<http://www.nfipiservice.com/pdf/Oct2010/cover.pdf>.

The NFIP Flood Insurance Manual is revised twice a year - once in May and once in October. The fully revised Manual (including the above changes) is available at this site. To access the chapters, just click on the chapter name.

<http://www.fema.gov/about/programs/nfip/index.shtm>

Provides additional information about the NFIP Flood Insurance Manual and yearly revisions.

<http://www.fema.gov/about/programs/nfip/index.shtm> or <http://www.fema.gov>.

Additional information on the NFIP and FEMA.



FLOOD WORD SEARCH

Find and circle the 14 words or phrases in the box of letters below. Multiple word phrases (i.e., base flood elevation) will be continuous, with no spaces between words.

1. BASE FLOOD ELEVATION
2. ELEVATION CERTIFICATE
3. FEMA
4. FLOOD
5. GRANDFATHERING
6. HAG
7. LAG
8. MASONRY WALLS
9. NFIP
10. POST FIRM BUILDING
11. PRP
12. SFIP
13. SUBGRADE CRAWL
14. SUBMIT FOR RATE



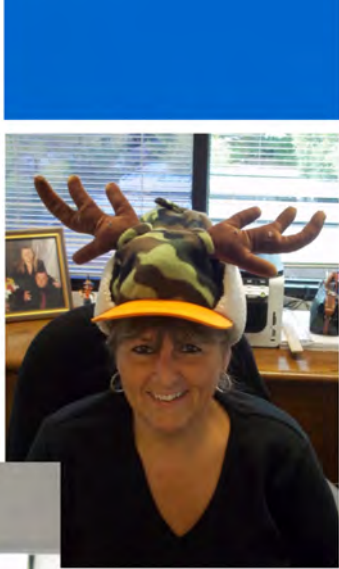
Match the Acronym to the abbreviated description by matching the numeric number with the matching alpha letter. For full description of acronyms see the DEF 1-9 section of the NFIP Manual.

- | | | |
|---------|-------|---|
| 1. LOMA | _____ | A. National Flood Insurance Program |
| 2. LAG | _____ | B. Preferred Risk Policy (available for B, C, and X zones) |
| 3. FIRM | _____ | C. Submit for Rate - Risk rate is not published in NFIP Manual |
| 4. BFE | _____ | D. A, AO, A1-A30, AE, A99, AR, AH, VE, V, V1-V30 |
| 5. NFIP | _____ | E. Highest point of the ground level immediately next to a building |
| 6. SFHA | _____ | F. Lowest point of the ground level immediately next to a building |
| 7. PRP | _____ | G. Elevation of surface water resulting from a flood |
| 8. SFR | _____ | H. Letter of Map Amendment |
| 9. HAG | _____ | I. Official map of a community delineating (SFHAs, BFEs ...) |



CUSTOMER SERVICE APPRECIATION WEEK

The Flood Service Center celebrated National Customer Service Week October 3-7, 2011. This annual occasion recognized the importance of business built on quality customer service and honors those who serve and support their customers. We used this week as an opportunity to increase our own awareness of customer service, as well as participate in some fun activities. It provided us an opportunity to thank fellow Assurant employees who serve our customers, as well as those behind the scenes who provide support.



**CRAZY
HAT
DAY!**



Thanks for all you do.



**HAWAIIAN
DAY!**