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W-06090

December 22, 2006

MEMORANDUM TO: Write Your Own (WYO) Principal Coordinators and

the National Flood Insurance Program Servicing Agent

FROM: Edward Connor

Deputy Director for Insurance National Flood Insurance Program

Mitigation Division

SUBJECT: Properties Not Meeting Severe Repetitive Loss Program Criteria

As referenced in WYO Clearinghouse Bulletin W-06039, dated June 9, 2006, FEMA will begin transitioning certain properties from the Repetitive Loss Target Group to the new Severe Repetitive Loss (SRL) Program. Properties that do not meet the loss characteristics of the SRL Program are no longer required to be written in the Special Direct Facility (SDF).

Approximately 5,200 policies currently at the SDF do not meet the new SRL characteristics. The NFIP Bureau and Statistical Agent (BSA) has prepared individual data files for each company or vendor, identifying the last known WYO Company for the current SDF policy. These files have been prepared in the familiar Transaction Record Reporting and Processing (TRRP) policy error format and include records for both the current SDF and the original WYO policy information. The files will be placed on the BSA's File Transfer Protocol (FTP) site, in the ErrorData folder, by December 22, 2006.

Upon receiving their file, each WYO Company should immediately compare the policy underwriting information as generated by the SDF versus the underwriting information it submitted prior to conversion to the SDF. Any discrepancies or changes should be verified with the agent prior to issuing a renewal bill.

To minimize the impact to the WYO Companies, no additional changes will be implemented to the data files or reports currently generated in the monthly processing.

If you have any questions, please contact your WYO Business Analyst.

cc: Vendors, IBHS, FIPNC, Government Technical Representatives

Suggested Routing: Data Processing, Underwriting, Marketing