



FEMA

W-13046

August 8, 2013

MEMORANDUM FOR: Write Your Own (WYO) Principal Coordinators and the
National Flood Insurance Program (NFIP) Servicing Agent

A handwritten signature in cursive script, reading "Jhun de la Cruz".

FROM: Jhun de la Cruz
Branch Chief, Underwriting
Risk Insurance Division

SUBJECT: Final Letter Related to Processing Renewals of Certain Pre-FIRM
Subsidized Policies that are New, Lapsed, or Assigned

In two previous bulletins (W-13033 dated June 14, 2013, and W-13041 dated July 10, 2013), FEMA provided detailed procedures for processing renewals of certain Pre-FIRM subsidized policies that are new, lapsed, or assigned. This bulletin provides a sample Final Letter reiterating that a new Flood Insurance Application and premium must be received within 30 days from the policy expiration date to avoid a lapse in coverage.

Please see the attached sample letter, which may be sent to affected policyholders, agents, and lenders within 5 days after the policy expiration date.

Thank you for your continued support as you implement these new procedures.

Attachment

cc: Vendors, IBHS, FIPNC, Government Technical Representative

Required Routing: Data Processing, Marketing, Underwriting

**NATIONAL FLOOD INSURANCE PROGRAM
FINAL LETTER REGARDING YOUR EXPIRED POLICY**

<Date>

<Named Insured>

Mailing Address: < >

Policy # < >

Property Address: < >

IMPORTANT – COVERAGE HAS EXPIRED – YOUR ACTION IS REQUIRED
A RENEWAL OFFER WILL NOT BE MADE FOR YOUR FLOOD INSURANCE POLICY

Your flood insurance policy has expired on [mm-dd-yyyy]. If you have a mortgage, your lender may require flood coverage as a condition for any loan. In order to reinstate coverage under this policy, you must follow the instructions below.

As mentioned in previous correspondence, the Biggert-Waters Flood Insurance Reform Act of 2012 eliminates subsidized¹ premium rates and mandates a building's full-risk premium rate be applied to the following National Flood Insurance Program (NFIP) policies:

- New policies written with an effective date on or after July 6, 2012
- Policies written as new business, or existing policies assigned to a new owner as a result of a property purchase on or after July 6, 2012
- Policies that have lapsed and been reinstated on or after October 4, 2012.

Our records indicate that your expired flood insurance policy received NFIP subsidized premium rates, but your coverage is no longer eligible for those rates because it meets one of the above criteria. Since the subsidized rates used to determine the premium for your expired policy are no longer available, a renewal bill cannot be provided.

To maintain NFIP coverage without a lapse, your agent must complete an Application to renew using full-risk premium rates and submit it with the full annual premium immediately. **The application and premium must be received within 30 days from the policy expiration date to avoid a lapse in coverage.** To determine the full-risk premium rates, you must provide your agent with the information and supporting documentation listed below, which was not required at the time your original policy was issued. Please submit the following items in order to reinstate coverage:

- An Elevation Certificate for Flood Insurance.²
- Clear exterior photographs of the front and back of the building to be insured.
- An Application for renewal completed and signed by your agent.
- The annual premium determined with full-risk premium rates or tentative premium rates.

If you don't have an Elevation Certificate for your building, you will need to hire a surveyor to come to your property to complete the certificate. If you are having difficulty in obtaining an Elevation Certificate, your agent may renew your policy using tentative rates. However, while you may renew the policy without submitting an Elevation Certificate and photographs, you will be unable to receive payment for a claim until the full-risk premium is determined.

Please contact your insurance agent for more information. If you believe you have completed the process outlined above previously, contact your insurer to confirm whether or not coverage will be reinstated without a lapse in coverage.

¹Subsidized premium rates are discounted rates that have been traditionally available for structures built before a community first adopted FEMA Flood Maps and guidelines. The subsidized rates are determined with limited underwriting information and typically do not reflect the full risk of flood loss.

²Go to www.fema.gov/library/viewRecord.do?id=7408 for more information about the Elevation Certificate form and how to obtain one.