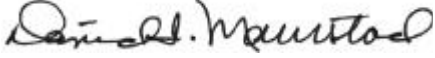




FEMA

April 2006

MEMORANDUM FOR: *Flood Insurance Manual* Subscribers

FROM: David I. Maurstad   
Acting Director  
Mitigation Division

SUBJECT: May 1, 2006, Revisions to the Producer's Edition of  
the *Flood Insurance Manual*

The National Flood Insurance Program (NFIP) is pleased to provide you with the latest updates to the Producer's Edition of the NFIP *Flood Insurance Manual*.

Your new revision pages contain all of the changes that will go into effect May 1, 2006. Changes are identified by a vertical bar in the margin of the amended pages, and related footers have been modified to reflect the May 1, 2006, effective date.

Following are highlights of the May revisions:

- Provides new flood insurance rates and updates the Precalculated Pre-FIRM Premium Table and the rating examples. (RATE, CONDO sections)
- Adds a table matching SFIP policy forms with specific residential and non-residential building and contents risks. (GR section)
- Describes criteria for coverage eligibility of condominium buildings in the course of construction. (CONDO section)
- Adds guidelines for converting a Preferred Risk Policy (PRP) that no longer meets PRP eligibility criteria to a standard-rated policy. (PRP section)
- Updates the Index. (IND section)

The NFIP is committed to providing up-to-date information so that you can assist your customers in securing the best flood insurance protection available for their individual needs.

Attachment



## **Change Record Page** **Effective Date: May 1, 2006**

Updates and corrections to the Producer's Edition of the NFIP *Flood Insurance Manual* are distributed semiannually. Each change is highlighted by a vertical bar in the margin of the page. The effective date of each page is shown in the bottom right corner. Pages bearing the new effective date but no change bar simply indicate that text has shifted from one page to another.

Please keep this Change Record Page in your manual for reference.

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## GENERAL RULES

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### I. COMMUNITY ELIGIBILITY

#### A. Participating (Eligible) Communities

Flood insurance may be written only in those communities that have been designated as participating in the National Flood Insurance Program (NFIP) by the Federal Emergency Management Agency (FEMA).

#### B. Emergency Program

The Emergency Program is the initial phase of a community's participation in the NFIP. Limited amounts of coverage are available.

#### C. Regular Program

The Regular Program is the final phase of a community's participation in the NFIP. In this phase, a Flood Insurance Rate Map is in effect and full limits of coverage are available.

#### D. Maps

Maps of participating communities indicate the degree of flood hazard so that actuarial premium rates can be assigned for insurance coverage on properties at risk.

1. Flood Hazard Boundary Map (FHBM) - Usually the initial map of a community. Some communities entering the Regular Program will continue to use FHBM's renamed a Flood Insurance Rate Map (FIRM), if there is a minimum flood hazard.
2. Flood Insurance Rate Map (FIRM) - The official map of the community containing detailed actuarial risk premium zones.
3. Rescission - Participating communities in the Emergency Program remain in the Emergency Program if an FHBM is rescinded.

#### E. Probation

Probation, imposed by the FEMA Regional Director, occurs as a result of noncompliance with NFIP floodplain management criteria. A community is placed on probation for 1 year (may be extended), during which time a \$50 surcharge is applied to all NFIP policies, including the Preferred Risk Policy, issued on or after the Probation Surcharge effective date. Probation is

terminated if deficiencies are corrected. However, if a community does not take remedial or corrective measures while on probation, it can be suspended.

#### F. Suspension

Flood insurance may not be sold or renewed in communities that are suspended from the NFIP. When a community is suspended, coverage remains in effect until expiration. These policies cannot be renewed.

#### G. Non-Participating (Ineligible) Communities

When FEMA provides a non-participating community with a Flood Hazard Boundary Map (FHBM) or Flood Insurance Rate Map (FIRM) delineating its flood-prone areas, the community is allowed 1 year in which to join the NFIP. If the community chooses not to participate in the NFIP, flood insurance is not available.

#### H. Coastal Barrier Resources Act

Flood insurance may not be available for buildings and/or contents located in coastal barriers or otherwise protected areas. See the Coastal Barrier Resources System section for additional information.

#### I. Federal Land

Buildings and/or contents located on land owned by the federal government are eligible for flood insurance if the federal agency having control of the land has met floodplain management requirements. All federal land is recorded under the local community number even if that local community does not have jurisdiction.

### II. POLICIES AND PRODUCTS AVAILABLE

#### A. Standard Flood Insurance Policy

The Standard Flood Insurance Policy (SFIP) consists of the Dwelling Form, the General Property Form, and the Residential Condominium Building Association Policy (RCBAP) Form. The three SFIP forms are reproduced in the Policy section of this manual.

The table on the next page shows how agents can use the three SFIP forms to insure a variety of residential and non-residential building and contents risks.

## Matching Standard Flood Insurance Policy Forms with Specific Risks

SFIP POLICY FORM	ELIGIBILITY
<p><b>Dwelling Form</b></p> <p>Issued to homeowner, residential renter, or owner of residential building containing two to four units.</p>	<p>In NFIP Regular Program community or Emergency Program community, provides building and/or contents coverage for:</p> <ul style="list-style-type: none"> <li>▪ Detached, single-family, non-condominium residence with incidental occupancy limited to less than 50% of the total floor area;</li> <li>▪ Two- to four-family, non-condominium building with incidental occupancy limited to less than 25% of the total floor area;</li> <li>▪ Dwelling unit in residential condominium building;</li> <li>▪ Residential townhouse/rowhouse.</li> </ul>
<p><b>General Property Form</b></p> <p>Issued to owner of residential building with five or more units.</p> <p>Issued to owner or lessee of non-residential building or unit.</p>	<p>In NFIP Regular Program community or Emergency Program community, provides building and/or contents coverage for these and similar "other residential" risks:</p> <ul style="list-style-type: none"> <li>▪ Hotel or motel with normal guest occupancy of 6 months or more;</li> <li>▪ Tourist home or rooming house with five or more lodgers;</li> <li>▪ Apartment building;</li> <li>▪ Residential cooperative building;</li> <li>▪ Dormitory;</li> <li>▪ Assisted-living facility.</li> </ul> <p>In NFIP Regular Program community or Emergency Program community, provides building coverage and/or contents coverage for these and similar non-residential risks:</p> <ul style="list-style-type: none"> <li>▪ Hotel or motel with normal guest occupancy of less than 6 months;</li> <li>▪ Licensed bed-and-breakfast inn;</li> <li>▪ Retail shop, restaurant, or other business;</li> <li>▪ Mercantile building;</li> <li>▪ Grain bin, silo, or other farm building;</li> <li>▪ Agricultural or industrial processing facility;</li> <li>▪ Factory;</li> <li>▪ Warehouse;</li> <li>▪ Poolhouse, clubhouse, or other recreational building;</li> <li>▪ House of worship;</li> <li>▪ School;</li> <li>▪ Nursing home;</li> <li>▪ Non-residential condominium;</li> <li>▪ Condominium building with less than 75% of its total floor area in residential use;</li> <li>▪ Detached garage;</li> <li>▪ Tool shed;</li> <li>▪ Stock, inventory, or other commercial contents.</li> </ul>
<p><b>Residential Condominium Building Association Policy (RCBAP)</b></p> <p>Issued to residential condominium association on behalf of association and unit owners.</p>	<p>In NFIP Regular Program community only, provides building coverage and, if desired, coverage of commonly owned contents for residential condominium building with 75% or more of its total floor area in residential use.</p>

### B. Insurance Products

#### 1. Preferred Risk Policy

The Preferred Risk Policy (PRP) is available in moderate-risk flood zones B, C, and X. Formerly, only single-family and two- to four-family dwellings were eligible for coverage. Effective May 1, 2004, other residential and non-residential buildings became eligible for

coverage. For information about specific eligibility requirements and other changes in the Preferred Risk Policy, see the PRP section of this manual.

#### 2. Mortgage Portfolio Protection Program (MPPP)

The Mortgage Portfolio Protection Program (MPPP) offers a force-placed policy available only through a Write Your Own Company.

■ 3. Scheduled Building Policy

The Scheduled Building Policy is available to cover 2 to 10 buildings. The policy requires a specific amount of insurance to be designated for each building. To qualify, all buildings must have the same ownership and the same location. The properties on which the buildings are located must be contiguous.

■ 4. Group Flood Insurance

Group Flood Insurance is issued by the NFIP Direct Program in response to a Presidential disaster declaration. Disaster assistance applicants, in exchange for a modest premium, receive a minimum amount of building and/or contents coverage for a 3-year policy period. An applicant may cancel the group policy at any time and secure a regular Standard Flood Insurance Policy through the NFIP.

### III. BUILDING PROPERTY ELIGIBILITY

#### A. Eligible Buildings

Insurance may be written only on a structure with two or more outside rigid walls and a fully secured roof that is affixed to a permanent site. Buildings must resist flotation, collapse, and lateral movement. At least 51 percent of the actual cash value of buildings, including machinery and equipment, which are a part of the buildings, must be above ground level, unless the lowest level is at or above the Base Flood Elevation (BFE) and is below ground by reason of earth having been used as insulation material in conjunction with energy-efficient building techniques.

1. Appurtenant Structures

The only appurtenant structure covered by the SFIP is a detached garage at the described location, which is covered under the Dwelling Form. Coverage is limited to no more than 10 percent of the limit of liability on the dwelling. Use of this insurance is at the policyholder's option but reduces the building limit of liability. The SFIP does not cover any detached garage used or held for use for residential (i.e., dwelling), business, or farming purposes.

2. Manufactured (Mobile) Homes/Travel Trailers

Eligible buildings also include:

- A *manufactured home* (a "manufactured home," also known as a

mobile home, is a structure built on a permanent chassis, transported to its site in one or more sections, and affixed to a permanent foundation); or

- A *travel trailer* without wheels, built on a chassis and affixed to a permanent foundation, that is regulated under the community's floodplain management and building ordinances or laws.

**NOTE: All references in this manual to manufactured (mobile) homes include travel trailers without wheels.**

a. Manufactured (Mobile) Homes - New Policies Effective on or After October 1, 1982

To be insurable under the NFIP, a mobile home:

- Must be affixed to a permanent foundation. A permanent foundation for a manufactured (mobile) home may be poured masonry slab or foundation walls, or may be piers or block supports, either of which support the mobile home so that no weight is supported by the wheels and axles of the mobile home.
- Must be anchored if located in a Special Flood Hazard area. For flood insurance coverage, all new policies and subsequent renewals of those policies must be based upon the specific anchoring requirements identified below:

A manufactured (mobile) home located within a Special Flood Hazard Area must be anchored to a permanent foundation to resist flotation, collapse, or lateral movement by providing over-the-top or frame ties to ground anchors; or in accordance with manufacturer's specifications; or in compliance with the community's floodplain management requirements.

b. Manufactured (Mobile) Homes - Continuously Insured Since September 30, 1982

All manufactured (mobile) homes on a foundation continuously insured since September 30, 1982, can be renewed under the previously existing require-

ments if affixed to a permanent foundation.

Manufactured (mobile) homes in compliance with the foundation and anchoring requirements at the time of placement may continue to be renewed under these requirements even though the requirements are more stringent at a later date.

To be adequately anchored, the manufactured (mobile) home is attached to the foundation support system, which in turn is established (stabilized) into the ground, sufficiently to resist flotation, collapse, and lateral movement caused by flood forces, including wind forces in coastal areas.

3. Silos and Grain Storage Buildings
4. Cisterns
5. Buildings Entirely Over Water - Constructed or Substantially Improved Before October 1, 1982

Follow "submit for rate" instructions in the Rating section for insurance on Post-FIRM buildings located entirely in, on, or over water or seaward of mean high tide for these buildings. Pre-FIRM buildings constructed before October 1, 1982, are eligible for normal Pre-FIRM rates.

If the building's start of construction occurred on or after October 1, 1982, the building is ineligible for coverage.

6. Buildings Partially Over Water
7. Boathouses Located Partially Over Water

Follow "submit for rate" instructions in the Rating section for buildings partially over water. However, Pre-FIRM buildings are eligible for normal Pre-FIRM rates.

The non-boathouse parts of a building into which boats are floated are eligible for coverage if the building is partly over land and also used for residential, commercial, or municipal purposes and is eligible for flood coverage. The area above the boathouse used for purposes unrelated to the boathouse use (e.g., residential occupancy) is insurable from the floor joists to the roof including walls. A common wall between the

boathouse area and the other part of the building is insurable. The following items are not covered:

- a. The ceiling and roof over the boathouse portions of the building into which boats are floated.
- b. Floors, walkways, decking, etc., within the boathouse area, or outside the area, but pertaining to boathouse use.
- c. Exterior walls and doors of the boathouse area not common to the rest of the building.
- d. Interior walls and coverings within the boathouse area.
- e. Contents located within the boathouse area, including furnishings and equipment, relating to the operation and storage of boats and other boathouse uses.

The Flood Insurance Application form with photographs, but without premium, must be submitted to the NFIP for premium determination. No coverage becomes effective until the NFIP approves the insurance application, determines the rate, and receives the premium. However, buildings in existence prior to October 1, 1982, may continue to be rated using the published rate.

8. Buildings in the Course of Construction
- Buildings in the course of construction that have yet to be walled and roofed are eligible for coverage except when construction has been halted for more than 90 days and/or if the lowest floor used for rating purposes is below the Base Flood Elevation (BFE). Materials or supplies intended for use in such construction, alteration, or repair are not insurable unless they are contained within an enclosed building on the premises or adjacent to the premises.

To determine the eligibility of a residential condominium building under construction, see page CONDO 6 in this manual.

9. Repetitive Loss Target Group Properties
- These must be processed by the NFIP Special Direct Facility. See the Repetitive Loss section of this manual for information.



## B. Single Building

To qualify as a single building structure and be subject to the single building limits of coverage, a building must be separated from other buildings by intervening clear space or solid, vertical, load-bearing division walls.

A building separated into divisions by solid, vertical, load-bearing walls from its lowest level to its highest ceiling may have each division insured as a separate building. A solid load-bearing interior wall cannot have any openings and must not provide access from one building or room into another (partial walls). If access is available through a doorway or opening, then the structure must be insured as one building.

Flood insurance for a unit of a multiple-unit complex may be written as a single-building policy, provided that: the unit is self contained; it is a separately titled unit contiguous to the ground; it has a separate legal description; and it is regarded as a separate property for other real estate purposes, meaning that it has most of its own utilities and may be deeded, conveyed, and taxed separately.

### Additions and Extensions

The NFIP insures additions and extensions attached to and in contact with the building by means of a rigid exterior wall, a solid load-bearing interior wall, a stairway, an elevated walkway, or a roof. At the insured's option, additions and extensions connected by any of these methods may be separately insured. Additions and extensions attached to and in contact with the building by means of a common interior wall that is not a solid load-bearing wall are always considered part of the building and cannot be separately insured.

## C. Walls

### 1. Breakaway Walls

For an enclosure's wall to qualify as breakaway, it must meet *all* of the following criteria:

- a. Above ground level; and
- b. Below the elevated floor of an elevated structure; and
- c. Non-structurally supporting (non-load-bearing walls); and

- d. Designed to fail under certain wave force conditions; and

- e. Designed so that, as a result of failure, it causes no damage to the elevated portions of the elevated building and/or its supporting foundation system.

### 2. Shear Walls

Shear walls are used for structural support, but are not structurally joined or enclosed at the ends (except by breakaway walls). Shear walls are parallel (or nearly parallel) to the flow of the water and can be used in any zone.

### 3. Solid Perimeter Foundation Walls

Solid perimeter foundation walls are used as a means of elevating the building in A Zones and must contain proper openings to allow for the unimpeded flow of floodwaters more than 1 foot deep.

Solid perimeter foundation walls are not an acceptable means of elevating buildings in V/VE Zones.

## D. Determination of Building Occupancy

The following terms should be used to determine the appropriate occupancy classification:

### 1. Single Family Dwellings

These are non-condominium residential buildings designed for principal use as a dwelling place for one family, or a single-family dwelling unit in a condominium building. Residential single family dwellings are permitted incidental occupancies, including structures with office, professional, private school, or studio occupancies, including a small service operation, if such occupancies are limited to less than 50 percent of the building's total floor area.

### 2. 2-4 Family Dwellings

These are non-condominium residential buildings designed for principal use as a dwelling place of two to four families. Residential buildings, excluding hotels and motels with normal room rentals for less than 6 months' duration and containing no more than 4 dwelling units, are permitted incidental occupancies (see D.1 above). The total area of incidental occupancy is limited to less than

25 percent of the total floor area within the building.

### 3. Other Residential Buildings

These include hotels or motels where the normal occupancy of a guest is 6 months or more, or a tourist home or rooming house which has more than four roomers. This also includes residential buildings, excluding hotels and motels with normal room rentals for less than 6 months' duration and containing more than four dwelling units. These buildings are permitted incidental occupancies (see D.1 above). The total area of incidental occupancy is limited to less than 25 percent of the total floor area within the building. Examples of other residential buildings include dormitories and assisted living facilities.

### 4. Non-Residential Buildings

This category includes all other eligible occupancies (e.g., garages, poolhouses, recreational buildings, agricultural buildings, licensed bed and breakfasts, nursing homes, etc.).

## IV. CONTENTS ELIGIBILITY

### A. Eligible Contents

Contents must be located in a fully enclosed building or secured to prevent flotation out of the building.

### B. Vehicles and Equipment

The NFIP covers self-propelled vehicles or machines, provided they are not licensed for use on public roads and are:

1. Used mainly to service the described location; or
2. Designed and used to assist handicapped persons;

while the vehicles or machines are inside a building at the described location.

### C. Silos, Grain Storage Buildings, and Cisterns

Contents located in silos, grain storage buildings, and cisterns are insurable.

### D. Commercial Contents Coverage

Commercial contents in a residential property must be insured on the General Property Form.

## V. EXAMPLES OF ELIGIBLE RISKS

Since the question of coverage eligibility has frequently been raised, examples of eligible risks are provided below.

### A. Building Coverage

1. Cooperative Building--Entire Building in Name of Cooperative (General Property Form)

Cooperative buildings where at least 75 percent of the area of the building is used for residential purposes are considered as residential occupancies, and can be insured for a maximum building coverage of \$250,000 in a Regular Program community under the General Property Form. Since they are *not* in the condominium form of ownership, they cannot be insured under the RCBAP.

2. Time Sharing Building--Entire Building in Name of Corporation (General Property Form)

Timeshare buildings *not* in the condominium form of ownership where at least 75 percent of the area of the building is used for residential purposes are considered as residential occupancies under the NFIP, and can be insured for a maximum building coverage of \$250,000 under the General Property Form.

Timeshare buildings in the *condominium* form of ownership are eligible for coverage and must be insured under the RCBAP. These buildings are subject to the same eligibility, rating, and coverage requirements as other condominiums, including the requirement that 75 percent of the area of the building be used for residential purposes.

### B. Contents Coverage

Parts and equipment as open stock—not part of specific vehicle or motorized equipment—are eligible for coverage.

### C. Condominiums

Refer to pages CONDO 3-5. ■

## VI. INELIGIBLE PROPERTY

### A. Buildings

Coverage may not be available for buildings that are constructed or altered in such a way as to place them in violation of state or local floodplain management laws, regulations, or ordinances.

Contents and personal property contained in these buildings are ineligible for coverage.

For example, section 1316 of the National Flood Insurance Act of 1968 allows the states to declare a structure to be in violation of a law, regulation, or ordinance. **Flood insurance is not available for properties that are placed on the 1316 Property List.** Insurance availability is restored once the violation is corrected and the 1316 Declaration has been rescinded.

#### **B. Container-Type Buildings**

Gas and liquid tanks, chemical or reactor container tanks or enclosures, brick kilns, and similar units, and their contents are ineligible for coverage.

#### **C. Buildings Entirely Over Water**

Buildings newly constructed or substantially improved on or after October 1, 1982, and located entirely in, on, or over water or seaward of mean high tide are ineligible for coverage.

#### **D. Buildings Partially Underground**

If 50 percent or more of the building's actual cash value, including the machinery and equipment, which are part of the building, is below ground level, the building or units and their contents are ineligible for coverage unless the lowest level is at or above the BFE and is below ground by reason of earth having been used as insulation material in conjunction with energy efficient building techniques.

#### **E. Basement/Elevated Building Enclosures**

Certain specific property in basements and under elevated floors of buildings is excluded from coverage. See the policy contract for specific information.

### **VII. EXAMPLES OF INELIGIBLE RISKS**

Some specific examples of ineligible risks are provided below. See the policy for a definitive listing of property not covered.

#### **A. Building Coverage**

1. Boat Repair Dock
2. Boat Storage Over Water
- 3. Boathouses (exceptions on page GR 4)
4. Camper
5. Cooperative Unit Within Cooperative Building

6. Decks (except for steps and landing; maximum landing area of 16 sq. ft.)
7. Drive-In Bank Teller Unit (located outside walls of building)
8. Fuel Pump
9. Gazebo (unless it qualifies as a building)
10. Greenhouse (unless it has at least two rigid walls and a roof)
11. Hot tub or spa (unless it is installed as a bathroom fixture)
12. Open Stadium
13. Pavilion (unless it qualifies as a building)
14. Pole Barn (unless it qualifies as a building)
15. Pumping Station (unless it qualifies as a building)
16. Storage Tank--Gasoline, Water, Chemicals, Sugar, etc.
17. Swimming Pool Bubble
18. Swimming Pool (indoor or outdoor)
19. Tennis Bubble
20. Tent
21. Time Sharing Unit Within Multi-Unit Building
22. Travel Trailer (unless converted to a permanent onsite building meeting the community's floodplain management permit requirements)
23. Water Treatment Plant (unless 51 percent of its actual cash value is above ground)

#### **B. Contents Coverage**

1. Automobiles--Including Dealer's Stock (assembled or not)
2. Bailee's Customer Goods--Including garment contractors, cleaners, shoe repair shops, processors of goods belonging to others, and similar risks
3. Contents Located in a Structure Not Eligible for Building Coverage
4. Contents Located in a Building Not Fully Walled and/or Contents Not Secured Against Flotation

5. Motorcycles--Including Dealer's Stock (assembled or not)
6. Motorized Equipment--Including Dealer's Stock (assembled or not)

**C. Non-Residential Condominium Unit**

The owner of a non-residential condominium unit cannot purchase a unit owner's policy. The association can purchase a condominium association policy to cover the entire building. Contents-only coverage may be purchased by the unit owner.

**VIII. POLICY EFFECTIVE DATE**

**A. Evidence of Insurance**

A copy of the Flood Insurance Application and premium payment, or a copy of the declarations page, is sufficient evidence of proof of purchase. The NFIP does not recognize an oral binder or contract of insurance.

**B. Start of Waiting Period**

There is a standard 30-day waiting period for new applications and for endorsements to increase coverage.

1. If the application or endorsement form and the premium payment are received at the NFIP *within 10 days* from the date of application or endorsement request, or if mailed by certified mail within 4 days from the date of application or endorsement request, then the waiting period will be calculated from the *application or endorsement date*.
2. If the application or endorsement form and the premium payment are received at the NFIP *after 10 days* from the date of application or endorsement request, or are not mailed by certified mail within 4 days from the date of application or endorsement request, then the waiting period will be calculated from the *date the NFIP receives the application or endorsement*.

As used in VIII.B.1. and 2. above, the term "certified mail" extends to not only the U.S. Postal Service but also certain third-party delivery services. Acceptable third-party delivery services include Federal Express (FedEx), United Parcel Service (UPS), and courier services and the like that provide proof of mailing. Third-party delivery is acceptable if the

delivery service provides documentation of the actual mailing date and delivery date to the NFIP insurer. Bear in mind that third-party delivery services deliver to street addresses but cannot deliver to U.S. Postal Service post office boxes.

**C. Effective Date**

1. New Policy (other than 2, 3, or 4 below)--The effective date of a new policy will be 12:01 a.m., local time, on the 30th calendar day after the application date and the presentment of premium. (Example: a policy applied for on May 3 will become effective 12:01 a.m., local time, on June 2.) The effective date of coverage is subject to the waiting period rule listed under B.1 or B.2 above.
2. New Policy (in connection with making, increasing, extending, or renewing a loan, whether conventional or otherwise)--Flood insurance, which is initially purchased in connection with the making, increasing, extending, or renewal of a loan, shall be effective at the time of loan closing, provided that the policy is applied for and the presentment of premium is made at or prior to the loan closing. (Example: presentment of premium and application date--April 3, refinancing--April 3 at 3:00 p.m., policy effective date--April 3 at 3:00 p.m.) This rule applies to all buildings regardless of flood zone. The waiting period rule listed under B.1 or B.2 above does not apply.
3. New Policy (in connection with lender requirement)--The 30-day waiting period does not apply when flood insurance is required as a result of a lender determining that a loan on a building in a Special Flood Hazard Area (SFHA) that does not have flood insurance coverage should be protected by flood insurance. The coverage is effective upon the completion of an application and the presentment of payment of premium. (Example: presentment of premium and application date--April 3, policy effective date--April 3.) The waiting period rule listed under B.1 or B.2 must be used.
4. New Policy (when the initial purchase of flood insurance is in connection with the revision or updating of a Flood Hazard Boundary Map or Flood Insurance Rate Map)--During the 13-month period beginning on the effective date of the map revision, the effective date of a new policy shall be 12:01 a.m., local time, following the

day after the application date and the presentment of premium. This rule only applies where the Flood Hazard Boundary Map (FHBM) or Flood Insurance Rate Map (FIRM) is revised to show the building to be in a Special Flood Hazard Area (SFHA) when it had not been in an SFHA. (Example: FIRM revised--January 1, 2005, policy applied for and presentment of premium--August 3, 2005, policy effective date--August 4, 2005.) The waiting period rule listed under B.1 or B.2 above must be used.

5. New Policy (in connection with the purchase of an RCBAP)--When a condominium association is purchasing a Residential Condominium Building Association Policy (RCBAP), the 30-day waiting period does not apply if the condominium association is required to obtain flood insurance as part of the security for a loan under the name of the condominium association. The coverage is effective upon completion of an application and presentment of premium. The waiting period rule listed under B.1 or B.2 above does not apply.

In all other circumstances, the 30-day waiting period applies, and the waiting period rule listed under B.1 or B.2 above must be used.

6. New Policy (submit-for-rate application)--With three exceptions (described below), the effective date of a new policy will be 12:01 a.m., local time, on the 30th calendar day after the presentment of premium.

The *three exceptions* are as follows.

First, there is no waiting period if the initial purchase of flood insurance on a submit-for-rate application is in connection with making, increasing, extending, or renewing a loan, provided that the policy is applied for and the presentment of premium is made at or prior to the loan closing. The waiting period rule listed under B.1 or B.2 above does not apply.

Second, the 30-day waiting period does not apply when flood insurance is required as a result of a lender determining that a loan which does not have flood insurance coverage should be protected by flood insurance, because the building securing a loan is located in an SFHA. The coverage is effective upon the completion of an

application and the presentment of payment of premium. This exemption from the 30-day waiting period applies only to loans in SFHAs, i.e., those loans for which the statute requires flood insurance. The waiting period rule listed under B.1 or B.2 above must be applied.

Third, during the 13-month period beginning on the effective date of a map revision, the effective date of a new policy shall be 12:01 a.m., local time, following the day after the date the increased amount of coverage is applied for and the presentment of additional premium is made. This rule applies only on an initial purchase of flood insurance where the Flood Hazard Boundary Map (FHBM) or Flood Insurance Rate Map (FIRM) is revised to show the building to be in an SFHA when it had not been in an SFHA. The waiting period rule listed under B.1 or B.2 must be applied.

7. New Policy (rewrite Standard to PRP)--The 30-day waiting period does not apply when an insured decides to rewrite the existing policy at the time of renewal from Standard to a Preferred Risk Policy (PRP), provided that the selected PRP coverage limit amount is no higher than the next highest PRP amount above that which was carried on the Standard policy using the highest of building and contents coverage. In those cases where the Standard policy has only one kind of coverage, either building or contents only, the 30-day waiting period applies.

In addition, if the structure is no longer eligible under the PRP or the insured decides to rewrite the existing PRP at renewal time to a Standard policy, the 30-day waiting period does not apply provided the coverage limit amount is no more than the previous PRP coverage amount or the next higher PRP amount above that.

8. New Policy (contents only)--Unless the contents are part of the security for a loan, the 30-day waiting period applies to the purchase of contents-only coverage.
9. New Policy (documentation required)--The insurer may rely on an agent's representation on the application that the loan exception applies unless there is a loss during the first 30 days of the policy period. In that case, the insurer must

obtain documentation of the loan transaction, such as settlement papers, before adjusting the loss.

10. Community's Initial Entry or Conversion from Emergency to Regular Program--Process according to rules 1 through 9 above and 11 below.
11. Endorsements--With two exceptions (described below), the effective date for a new coverage or an increase in limits on a policy in force shall be 12:01 a.m., local time, on the 30th calendar day following the date of endorsement and the presentment of additional premium, or on such later date set by the insured to conform with the reason for the change.

The *two exceptions* are as follows.

First, during the 13-month period beginning on the effective date of a map revision, the effective date of an endorsement of an existing policy shall be 12:01 a.m., local time, following the day after the application date and the presentment of premium. This rule applies only where the FHBM or FIRM is revised to show the building to be in an SFHA when it had not been in an SFHA.

Second, the 30-day waiting period does not apply when the additional amount of flood insurance is required in connection with the making, increasing, extending, or renewing of a loan, such as a second mortgage, home equity loan, or refinancing. The increased amount of flood coverage shall be effective at the time of loan closing, provided that the increased amount of coverage is applied for and the presentment of additional premium is made at or prior to the loan closing. The waiting period rule listed under B.1 or B.2 above does not apply.

The insurer may rely on an agent's representation on the endorsement that the loan exception applies unless there is a loss during the first 30 days of the policy period. In that case, the insurer must obtain documentation of the loan transaction, such as settlement papers, before adjusting the loss.

12. Renewals (inflation increase option)--The 30-day waiting period does not apply when an additional amount of insurance is requested at renewal time that is no more

than the amount of increase recommended by the insurer on the renewal bill to keep pace with inflation. If a revised renewal offer is generated at least 30 days before renewal with coverage more than the inflation increase option, the new limits will apply at policy renewal.

In either situation, the increased amount of coverage will be effective at 12:01 a.m. on the date of policy renewal provided the premium for the increased coverage is received before the expiration of the grace period.

13. Renewals (higher PRP limits)--The waiting period does not apply to a renewal offer to the insured for the next higher limits available under the PRP.
14. Renewals (deductible reduction)--The 30-day waiting period does not apply to a reduction of the deductible effective as of the renewal date.

## **IX. COVERAGE**

### **A. Limits of Coverage**

Coverage may be purchased subject to the maximum limits of coverage available under the Program phase in which the community is participating. Duplicate policies are not allowed.

### **B. Deductibles**

Deductibles apply separately to building coverage and to contents coverage.

### **C. Coverage D - Increased Cost of Compliance (ICC) Coverage**

For all new and renewal policies effective on or after May 1, 2003, the ICC limit of liability is \$30,000.

The SFIP pays for complying with a State or local floodplain management law or ordinance affecting repair or reconstruction of a structure suffering flood damage. Compliance activities eligible for payment are: elevation, floodproofing, relocation, or demolition (or any combination of these activities) of the insured structure. Eligible floodproofing activities are limited to non-residential structures and residential structures with basements that satisfy FEMA's standards published in the Code of Federal Regulations [44 CFR 60.6 (b) or (c)].

ICC coverage is mandatory for all Standard Flood Insurance Policies, except that coverage is not available for:

1. Policies issued or renewed in the Emergency Program.
2. Condominium units, including townhouse/rowhouse condominium units. (The condominium association is responsible for complying with mitigation requirements.)
3. Group Flood Insurance Policies.
4. Appurtenant structures, unless covered by a separate policy.

ICC coverage contains exclusions in addition to those highlighted here. See the policy for a list of exclusions.

To be eligible for claim payment under ICC, a structure must:

- a. Be a repetitive loss structure as defined, for which NFIP paid a previous qualifying claim, in addition to the current claim. The state or community must have a cumulative, substantial damage provision or repetitive loss provision in its floodplain management law or ordinance being enforced against the structure; *OR*
- b. Be a structure that has sustained substantial flood damage. The state or community must have a substantial damage provision in its floodplain management law or ordinance being enforced against the structure.

The ICC premium is not eligible for the deductible discount. First calculate the deductible discount, then add in the ICC premium for each policy year.

#### **D. Reduction of Coverage Limits or Reformation**

In the event that the premium payment received is not sufficient to purchase the amounts of insurance requested, the policy shall be deemed to provide only such insurance as can be purchased for the entire term of the policy for the amount of premium received.

Complete provisions for reduction of coverage limits or reformation are described in:

1. Dwelling Form, section VII, paragraph G.
2. General Property Form, section VII, paragraph G.
3. Residential Condominium Building Association Policy, section VIII, paragraph G.

## **X. SPECIAL RATING SITUATIONS**

### **A. Tentative Rates**

Tentative rates are applied when producers are unable to provide all required underwriting information necessary to rate the policy. Tentatively rated policies cannot be endorsed to increase coverage limits or renewed for another policy term until required actuarial rating information and full premium payment are received by the NFIP. If a loss occurs on a tentatively rated policy, the loss payment will be limited by the amount of coverage that the premium initially submitted will purchase (using the correct actuarial rating information), and not the amount requested by application.

### **B. Submit-For-Rate**

Some risks, because of their unique underwriting characteristics, cannot be rated using this manual. Certain risks must be submitted to the NFIP Underwriting Unit to determine the appropriate rate. Refer to page GR 9 for the applicable waiting period.

Submit-for-rate policies must be rerated annually using the newest rates. If the NFIP Direct or WYO company does not have all the underwriting information, it must request the missing information from the insured in order to properly rate the risk.

Pre-FIRM risks may not be rated using the submit-for-rate process.

### **C. Provisional Rates**

Rules applicable to provisionally rated policies are provided in the Provisional Rating section of this manual.

### **D. Buildings in More Than One Flood Zone**

Buildings, not the land, located in more than one flood zone must be rated using the more hazardous zone.

This condition applies even though the portion of the building located in the more hazardous zone may not be covered under the SFIP, such as a deck.

## **XI. MISCELLANEOUS RULES**

### **A. Policy Term**

The policy term available is 1 year for both NFIP Direct business policies and policies written through WYO Companies.

## **B. Application Submission**

Flood insurance applications and presentment of premium must be mailed promptly to the NFIP. The date of receipt of premium for the NFIP insurer is determined by either the date received at its offices or the date of certified mail.

In the context of submission of applications, endorsements, and premiums to the NFIP, the term "certified mail" has been broadened to include not only the U.S. Postal Service but also certain third-party delivery services. For details, see the paragraph following VIII.B.2. on page GR 8.

Producers are encouraged to submit flood insurance applications by certified mail. Certified mail ensures the earliest possible effective date if the application and premium are received by the NFIP insurer more than 10 days from the application date. The date of certification becomes the date of receipt at the NFIP.

## **C. Delivery of the Policy**

The producer is responsible for delivering the declarations page and the policy contract of a new policy to the insured and, if appropriate, to the lender. Renewal policy documentation is sent directly to the insured.

## **D. Assignment**

A property owner's flood insurance building policy may be assigned in writing to a purchaser of the

insured property upon transfer of title without the written consent of the NFIP.

Policies on buildings in the course of construction and policies insuring contents only may not be assigned.

## **E. Producers' Commissions (Direct Business Only)**

The earned commission may be paid only to property or casualty insurance producers duly licensed by a state insurance regulatory authority. It shall not be less than \$10 and is computed for both new and renewal policies as follows: Based on the Total Prepaid Amount (less the Federal Policy Fee) for the policy term, the commission will be 15 percent of the first \$2,000 of annualized premium and 5 percent on the excess of \$2,000.

Calculated commissions for mid-term endorsements and cancellation transactions will be based upon the same commission percentage that was paid at the policy term's inception.

Commissions for all Scheduled Building Policies are computed as though each building and contents policy was separately written.

For calculation of commission on an RCBAP, see the CONDO section.



## RATING

This section contains information, including rate tables, required to accurately rate a flood insurance policy. Information and rates for the Preferred Risk Policy (PRP) and Residential Condominium Building Association Policy (RCBAP) are found in their respective sections.

The detailed drawings, and accompanying text and tables, in the Lowest Floor Guide section are to be used as a guide for identifying the lowest floor for rating buildings. This guide will assist in developing the proper rate for the building.

Examples of some rating situations are shown on pages RATE 47 through RATE 61.

A premium table for single family Pre-FIRM buildings located in Special Flood Hazard Areas (SFHAs) is located on page RATE 11. These premiums were calculated using Rate Table 2. This premium table is included in this manual to help the agent more easily quote premiums for buildings that do not require elevation certification.

### I. AMOUNT OF INSURANCE AVAILABLE

	EMERGENCY PROGRAM	REGULAR PROGRAM		
		Basic Insurance Limits	Additional Insurance Limits	Total Insurance Limits
<b>BUILDING COVERAGE</b>				
Single Family Dwelling	\$ 35,000 *	\$ 50,000	\$200,000	\$250,000
2-4 Family Dwelling	\$ 35,000 *	\$ 50,000	\$200,000	\$250,000
Other Residential	\$100,000**	\$150,000	\$100,000	\$250,000
Non-Residential	\$100,000**	\$150,000	\$350,000	\$500,000
<b>CONTENTS COVERAGE</b>				
Residential	\$ 10,000	\$ 20,000	\$ 80,000	\$100,000
Non-Residential	\$100,000	\$130,000	\$370,000	\$500,000

\* In Alaska, Guam, Hawaii, and U.S. Virgin Islands, the amount available is \$50,000.

\*\* In Alaska, Guam, Hawaii, and U.S. Virgin Islands, the amount available is \$150,000.

**NOTE: For RCBAP, refer to CONDO Section for basic insurance limits and maximum coverage available.**

### II. RATE TABLES

Rate tables are provided for the Emergency Program and for the Regular Program according to Pre-FIRM, Post-FIRM, and zone classifications. Tables 1-5 show annual rates per

\$100 of coverage. Table 6 provides precalculated Pre-FIRM premiums for various coverage limits. See Table 7 for Federal Policy Fee and Probation Surcharge.

**TABLE 1. EMERGENCY PROGRAM RATES**  
**ANNUAL RATES PER \$100 OF COVERAGE**  
**(Basic/Additional)**

	Building	Contents
Residential	.76	.96
Non-Residential	.83	1.62

**TABLE 2. REGULAR PROGRAM -- PRE-FIRM CONSTRUCTION RATES<sup>1</sup>**  
**ANNUAL RATES PER \$100 OF COVERAGE**  
**(Basic/Additional)**

**FIRM ZONES A, AE, A1-A30, AO, AH, D**

OCCUPANCY		Single Family		2-4 Family		Other Residential		Non-Residential	
		Building	Contents	Building	Contents	Building	Contents	Building	Contents
<b>BUILDING TYPE</b>	No Basement/Enclosure	.76 / .40	.96 / .72	.76 / .40		.76 / .83		.83 / .71	
	With Basement	.81 / .59	.96 / .60	.81 / .59		.76 / .69		.88 / .69	
	With Enclosure	.81 / .71	.96 / .72	.81 / .71		.81 / .88		.88 / .88	
	Manufactured (Mobile) Home <sup>2</sup>	.76 / .40	.96 / .72					.83 / .71	
<b>CONTENTS LOCATION</b>	Basement & Above				.96 / .60		.96 / .60		1.62 / 1.20
	Enclosure & Above				.96 / .72		.96 / .72		1.62 / 1.44
	Lowest Floor Only - Above Ground Level				.96 / .72		.96 / .72		1.62 / .63
	Lowest Floor Above Ground Level and Higher Floors				.96 / .49		.96 / .49		1.62 / .53
	Above Ground Level - More than One Full Floor				.35 / .12		.35 / .12		.24 / .12
	Manufactured (Mobile) Home <sup>2</sup>								1.62 / .63

**FIRM ZONES V, VE, V1-V30**

OCCUPANCY		Single Family		2-4 Family		Other Residential		Non-Residential	
		Building	Contents	Building	Contents	Building	Contents	Building	Contents
<b>BUILDING TYPE</b>	No Basement/Enclosure	.99 / 1.03	1.23 / 1.79	.99 / 1.03		.99 / 1.93		1.10 / 1.93	
	With Basement	1.06 / 1.55	1.23 / 1.50	1.06 / 1.55		1.06 / 2.89		1.16 / 2.89	
	With Enclosure	1.06 / 1.83	1.23 / 1.79	1.06 / 1.83		1.06 / 3.23		1.16 / 3.23	
	Manufactured (Mobile) Home <sup>2</sup>	.99 / 4.76	1.23 / 1.79					1.10 / 7.92	
<b>CONTENTS LOCATION</b>	Basement & Above				1.23 / 1.50		1.23 / 1.50		2.14 / 3.43
	Enclosure & Above				1.23 / 1.79		1.23 / 1.79		2.14 / 3.70
	Lowest Floor Only - Above Ground Level				1.23 / 1.79		1.23 / 1.79		2.14 / 3.09
	Lowest Floor Above Ground Level and Higher Floors				1.23 / 1.57		1.23 / 1.57		2.14 / 2.65
	Above Ground Level - More than One Full Floor				.47 / .29		.47 / .29		.45 / .39
	Manufactured (Mobile) Home <sup>2</sup>								2.14 / 7.44

**FIRM ZONES A99, B, C, X**

OCCUPANCY		Single Family		2-4 Family		Other Residential		Non-Residential	
		Building	Contents	Building	Contents	Building	Contents	Building	Contents
<b>BUILDING TYPE</b>	No Basement/Enclosure	.64 / .17	.99 / .30	.64 / .17		.61 / .17		.61 / .17	
	With Basement	.73 / .24	1.12 / .35	.73 / .24		.78 / .24		.78 / .24	
	With Enclosure	.73 / .28	1.12 / .40	.73 / .28		.78 / .28		.78 / .28	
	Manufactured (Mobile) Home <sup>2</sup>	.64 / .31	.99 / .30					.78 / .32	
<b>CONTENTS LOCATION</b>	Basement & Above				1.26 / .46		1.26 / .46		1.30 / .50
	Enclosure & Above				1.26 / .53		1.26 / .53		1.30 / .60
	Lowest Floor Only - Above Ground Level				.99 / .48		.99 / .48		.80 / .35
	Lowest Floor Above Ground Level and Higher Floors				.99 / .30		.99 / .30		.80 / .25
	Above Ground Level - More than One Full Floor				.35 / .12		.35 / .12		.22 / .12
	Manufactured (Mobile) Home <sup>2</sup>								.70 / .43

<sup>1</sup> Start of construction or substantial improvement on or before 12/31/74, or before the effective date of the initial Flood Insurance Rate Map (FIRM). If FIRM Zone is unknown, use rates for Zones A, AE, A1-A30, AO, AH, D.

<sup>2</sup> The definition of Manufactured (Mobile) Home includes travel trailers. See page APP 3.

**TABLE 3A. REGULAR PROGRAM -- POST-FIRM CONSTRUCTION RATES**  
**ANNUAL RATES PER \$100 OF COVERAGE**  
**(Basic/Additional)**

**FIRM ZONES A99, B, C, X**

OCCUPANCY		Single Family		2-4 Family		Other Residential		Non-Residential	
		Building	Contents	Building	Contents	Building	Contents	Building	Contents
<b>BUILDING TYPE</b>	No Basement/Enclosure	.64 / .17	.99 / .30	.64 / .17		.61 / .17		.61 / .17	
	With Basement	.73 / .24	1.12 / .35	.73 / .24		.78 / .24		.78 / .24	
	With Enclosure	.73 / .28	1.12 / .40	.73 / .28		.78 / .28		.78 / .28	
	Manufactured (Mobile) Home <sup>1</sup>	.64 / .31	.99 / .30					.78 / .32	
<b>CONTENTS LOCATION</b>	Basement & Above				1.26 / .46		1.26 / .46		1.30 / .50
	Enclosure & Above				1.26 / .53		1.26 / .53		1.30 / .60
	Lowest Floor Only - Above Ground Level				.99 / .48		.99 / .48		.80 / .35
	Lowest Floor Above Ground Level and Higher Floors				.99 / .30		.99 / .30		.80 / .25
	Above Ground Level - More than One Full Floor				.35 / .12		.35 / .12		.22 / .12
	Manufactured (Mobile) Home <sup>1</sup>								.70 / .43

**FIRM ZONE D**

OCCUPANCY		Single Family		2-4 Family		Other Residential		Non-Residential	
		Building	Contents	Building	Contents	Building	Contents	Building	Contents
<b>BUILDING TYPE</b>	No Basement/Enclosure	.92 / .32	.92 / .57	.92 / .32		1.00 / .57		1.00 / .57	
	With Basement	***	***	***		***		***	
	With Enclosure	***	***	***		***		***	
	Manufactured (Mobile) Home <sup>1</sup>	1.21 / .62	1.09 / .66					2.07 / .77	
<b>CONTENTS LOCATION</b>	Basement & Above				***		***		***
	Enclosure & Above				***		***		***
	Lowest Floor Only - Above Ground Level				.92 / .57		.92 / .57		1.62 / .52
	Lowest Floor Above Ground Level and Higher Floors				.92 / .39		.92 / .39		1.62 / .49
	Above Ground Level - More than One Full Floor				.35 / .12		.35 / .12		.24 / .12
	Manufactured (Mobile) Home <sup>1</sup>								1.62 / .52

**FIRM ZONES AO, AH ("No Basement" Buildings Only)<sup>2</sup>**

OCCUPANCY	Building		Contents	
	1-4 Family	Other Res & Non-Res	Residential	Non-Residential
With Certification of Compliance <sup>3</sup>	.25 / .06	.21 / .06	.34 / .11	.21 / .11
Without Certification of Compliance or Elevation Certificate <sup>4</sup>	.77 / .17	.84 / .30	.97 / .20	1.63 / .25

<sup>1</sup> The definition of Manufactured (Mobile) Home includes travel trailers. See page APP 3.

<sup>2</sup> Zones AO, AH Buildings With Basement/Enclosure: Submit for Rating

<sup>3</sup> "With Certification of Compliance" rates are to be used when the Elevation Certificate shows that the lowest floor is equal to or greater than the community's elevation requirement.

<sup>4</sup> "Without Certification of Compliance" rates are to be used only on Post-FIRM structures without an Elevation Certificate or when the Elevation Certificate shows that the lowest floor elevation of a Post-FIRM structure is less than the community's elevation requirement.

\*\*\* SUBMIT FOR RATING

**TABLE 3B. REGULAR PROGRAM -- POST-FIRM CONSTRUCTION RATES**  
**ANNUAL RATES PER \$100 OF COVERAGE**  
**(Basic/Additional)**

**FIRM ZONES AE, A1-A30 -- BUILDING RATES**

Elevation of Lowest Floor Above or Below BFE <sup>1</sup>	One Floor, No Basement/Encl		More than One Floor, No Basement/Encl		More than One Floor, With Basement/Encl		Manufactured (Mobile) Home <sup>2</sup>	
	1-4 Family	Other Residential & Non-Residential	1-4 Family	Other Residential & Non-Residential	1-4 Family	Other Residential & Non-Residential	Single Family	Non-Residential
+4	.24 / .08	.20 / .08	.24 / .08	.20 / .08	.24 / .08	.20 / .08	.24 / .08	.20 / .08
+3	.24 / .08	.20 / .08	.24 / .08	.20 / .08	.24 / .08	.20 / .08	.25 / .08	.22 / .08
+2	.32 / .08	.26 / .08	.24 / .08	.20 / .08	.24 / .08	.20 / .08	.34 / .08	.28 / .08
+1	.61 / .08	.45 / .10	.38 / .08	.28 / .08	.29 / .08	.20 / .08	.77 / .09	.72 / .08
0	1.19 / .09	1.07 / .20	.85 / .08	.65 / .16	.62 / .08	.52 / .16	1.84 / .09	1.71 / .08
-1 <sup>3</sup>	3.00 / 1.10	4.24 / 1.35	2.64 / 1.00	3.30 / .62	1.50 / .55	1.53 / .67	***	***
-2	***	***	***	***	***	***	***	***

**FIRM ZONES AE, A1-A30 -- CONTENTS RATES**

Elevation of Lowest Floor Above or Below BFE <sup>1</sup>	Lowest Floor Only -- Above Ground Level (No Basement/Encl.)		Lowest Floor Above Ground Level & Higher Floors (No Basement/Encl.)		More than One Floor With Basement/Enclosure		Manufactured (Mobile) Home <sup>2</sup>	
	Residential	Non-Residential	Residential	Non-Residential	Residential	Non-Residential	Single Family	Non-Residential
+4	.38 / .12	.22 / .12	.38 / .12	.22 / .12	.38 / .12	.22 / .12	.38 / .12	.22 / .12
+3	.38 / .12	.22 / .12	.38 / .12	.22 / .12	.38 / .12	.22 / .12	.38 / .12	.22 / .12
+2	.38 / .12	.22 / .12	.38 / .12	.22 / .12	.38 / .12	.22 / .12	.38 / .12	.31 / .14
+1	.50 / .12	.30 / .18	.38 / .12	.22 / .12	.38 / .12	.22 / .12	.59 / .12	.48 / .20
0	1.10 / .12	.68 / .40	.65 / .12	.48 / .25	.40 / .12	.29 / .12	1.21 / .12	1.01 / .64
-1 <sup>3</sup>	3.07 / .75	1.94 / 1.14	1.78 / .58	1.37 / .70	.48 / .12	1.06 / .12	***	***
-2	***	***	***	***	***	***	***	***

**FIRM ZONES AE, A1-A30 -- CONTENTS RATES**

Elevation of Lowest Floor Above or Below BFE <sup>1</sup>	Above Ground Level More than One Full Floor			
	Single Family	2-4 Family	Other Residential	Non-Residential
+4		.35 / .12	.35 / .12	.22 / .12
+3		.35 / .12	.35 / .12	.22 / .12
+2		.35 / .12	.35 / .12	.22 / .12
+1		.35 / .12	.35 / .12	.22 / .12
0		.35 / .12	.35 / .12	.22 / .12
-1		.35 / .12	.35 / .12	.22 / .12
-2		.35 / .12	.37 / .12	.24 / .12

<sup>1</sup> If Lowest Floor is -1 because of attached garage, submit application for special consideration. Rate may be lower.

<sup>2</sup> The definition of Manufactured (Mobile) Home includes travel trailers. See page APP 3.

<sup>3</sup> Use Submit-for-Rate guidelines if the enclosure below the lowest elevated floor of an elevated building or if the crawl space (under-floor space) that has its interior floor within 2 feet below grade on all sides, which is used for rating, is 1 or more feet below BFE.

\*\*\* **SUBMIT FOR RATING**

**TABLE 3C. REGULAR PROGRAM -- POST-FIRM CONSTRUCTION RATES  
ANNUAL RATES PER \$100 OF COVERAGE  
(Basic/Additional)**

**UNNUMBERED ZONE A -- WITHOUT BASEMENT/ENCLOSURE<sup>1</sup>**

Elevation Difference to nearest foot	BUILDING RATES		CONTENTS RATES		TYPE OF ELEVATION CERTIFICATE
	Occupancy		Occupancy		
	1-4 Family	Other & Non-Residential	Residential <sup>2</sup>	Non-Residential <sup>2</sup>	
+5 or more	.36 / .10	.48 / .15	.62 / .12	.65 / .12	NO ESTIMATED BASE FLOOD ELEVATION <sup>3</sup>
+2 to +4	.88 / .12	.91 / .20	.82 / .17	.89 / .23	
+1	1.72 / .59	1.94 / .75	1.40 / .63	1.33 / .72	
0 or below	***	***	***	***	
+2 or more	.32 / .08	.34 / .09	.50 / .12	.49 / .12	WITH THE ESTIMATED BASE FLOOD ELEVATION <sup>4</sup>
0 to +1	.85 / .10	.74 / .18	.72 / .15	.76 / .21	
-1	2.75 / 1.05	3.49 / 1.02	2.08 / .67	1.84 / 1.02	
-2 or below	***	***	***	***	
No Elevation Certificate <sup>5</sup>	3.22 / 1.32	4.36 / 1.70	2.61 / 1.00	2.74 / 1.35	No Elevation Certificate

<sup>1</sup> Zone A building with basement (including crawl space below grade on all sides) or enclosure -- Submit for Rating.

<sup>2</sup> For elevation rated risks other than Single Family, when contents are located one floor or more above lowest floor used for rating -- use .35 / .12.

<sup>3</sup> Elevation difference is the measured distance between the highest adjacent grade next to the building and the lowest floor of the building.

<sup>4</sup> Elevation difference is the measured distance between the estimated BFE provided by the community or registered professional engineer, surveyor, or architect and the lowest floor of the building.

<sup>5</sup> For building without basement or enclosure, Elevation Certificate is optional.

**\*\*\* SUBMIT FOR RATING**

**TABLE 3D. REGULAR PROGRAM -- POST-FIRM CONSTRUCTION RATES**  
**ANNUAL RATES PER \$100 OF COVERAGE**  
**(Basic/Additional)**

**FIRM ZONES '75-81, V1-V30, VE -- BUILDING RATES<sup>1</sup>**

Elevation of Lowest Floor Above or Below BFE	One Floor, No Basement/Encl		More than One Floor, No Basement/Encl		More than One Floor, With Basement/Encl		Manufactured (Mobile) Home <sup>2</sup>	
	1-4 Family	Other Residential & Non-Residential	1-4 Family	Other Residential & Non-Residential	1-4 Family	Other Residential & Non-Residential	Single Family	Non-Residential
0 <sup>3</sup>	2.09 / .38	2.53 / 0.98	1.69 / .38	1.83 / .92	1.47 / .38	1.64 / .74	3.13 / .31	4.48 / .28
-1 <sup>4</sup>	4.47 / 2.29	6.66 / 3.67	4.09 / 2.29	5.74 / 2.79	2.90 / 2.07	3.03 / 2.83	***	***
-2	***	***	***	***	***	***	***	***

**FIRM ZONES '75-81, V1-V30, VE -- CONTENTS RATES**

Elevation of Lowest Floor Above or Below BFE	Lowest Floor Only -- Above Ground Level (No Basement/Encl.)		Lowest Floor Above Ground Level & Higher Floors (No Basement/Encl.)		More than One Floor With Basement/Enclosure		Manufactured (Mobile) Home <sup>2</sup>	
	Residential	Non-Residential	Residential	Non-Residential	Residential	Non-Residential	Single Family	Non-Residential
0 <sup>3</sup>	3.24 / .45	2.86 / 2.10	2.11 / .50	2.00 / 1.25	1.19 / .55	1.19 / .55	3.12 / .50	3.25 / 2.68
-1 <sup>4</sup>	7.12 / 3.46	6.99 / 6.09	4.20 / 2.68	4.79 / 3.80	1.40 / .55	4.27 / .55	***	***
-2	***	***	***	***	***	***	***	***

**FIRM ZONES '75-81, V1-V30, VE -- CONTENTS RATES**

Elevation of Lowest Floor Above or Below BFE	Above Ground Level More than One Full Floor			
	Single Family	2-4 Family	Other Residential	Non-Residential
0 <sup>3</sup>		.55 / .25	.55 / .25	.42 / .25
-1 <sup>4</sup>		.55 / .25	.55 / .25	.42 / .25
-2		.55 / .25	.55 / .25	.46 / .25

<sup>1</sup> Policies for 1975 through 1981 Post-FIRM and Pre-FIRM buildings in Zones VE and V1-V30 will be allowed to use the Post-'81 V Zone rate table if the rates are more favorable to the insured. See instructions on page RATE 23 for V Zone Optional Rating.

<sup>2</sup> The definition of Manufactured (Mobile) Home includes travel trailers. See page APP 3.

<sup>3</sup> These rates are to be used if the lowest floor of the building is at or above BFE.

<sup>4</sup> Use Submit-for-Rate guidelines if the enclosure below the lowest elevated floor of an elevated building, which is used for rating, is 1 or more feet below BFE.

\*\*\* SUBMIT FOR RATING

**FIRM ZONES '75-'81, UNNUMBERED V ZONE**

SUBMIT FOR RATING

**TABLE 3E. REGULAR PROGRAM -- POST-FIRM CONSTRUCTION RATES  
ANNUAL RATES PER \$100 OF COVERAGE**

**1981 POST-FIRM V1-V30, VE ZONE RATES<sup>1</sup>**

Elevation of the lowest floor above or below BFE adjusted for wave height <sup>2</sup>	Elevated Buildings Free of Obstruction <sup>3</sup>				
	Contents		Building		
	Residential	Non-Residential	Replacement Cost Ratio .75 or More <sup>4</sup>	Replacement Cost Ratio .50 to .74 <sup>4</sup>	Replacement Cost Ratio Under .50 <sup>4</sup>
+4 or more	.31	.31	.51	.68	1.03
+3	.31	.31	.62	.83	1.25
+2	.45	.48	.81	1.08	1.62
+1	.79	.84	1.17	1.56	2.18
0	1.21	1.30	1.50	2.01	2.82
-1	1.75	1.81	1.98	2.61	3.39
-2	2.44	2.57	2.60	3.41	4.35
-3	3.35	3.56	3.35	4.48	5.68
-4 or below	***	***	***	***	***

<sup>1</sup>Policies for 1975 through 1981 Post-FIRM and Pre-FIRM buildings in Zones VE and V1-V30 will be allowed to use the Post-'81 V Zone rate table if the rates are more favorable to the insured. See instructions on page RATE 23 for V Zone Optional Rating.

<sup>2</sup>Wave height adjustment is not required in those cases where the Flood Insurance Rate Map indicates that the map includes wave height.

<sup>3</sup>Free of Obstruction—The space below the lowest elevated floor must be completely free of obstructions or any attachment to the building, or may have:  
 (1) Insect screening, provided that no additional supports are required for the screening; or  
 (2) Wooden or plastic lattice with at least 40 percent of its area open and made of material no thicker than ½ inch; or  
 (3) Wooden or plastic slats or shutters with at least 40 percent of their area open and made of material no thicker than 1 inch.

Any of these systems must be designed and installed to collapse under stress without jeopardizing the structural support of the building, so that the impact on the building of abnormally high tides or wind-driven water is minimized. Any machinery or equipment below the lowest elevated floor must be at or above the BFE.

<sup>4</sup>These percentages represent building replacement cost ratios, which are determined by dividing the amount of building coverage being purchased by the replacement cost. See page RATE 20 for more details.

\*\*\* **SUBMIT FOR RATING**

**1981 POST-FIRM V1-V30, VE ZONE  
Non-Elevated Buildings**

SUBMIT FOR RATING

**1981 POST-FIRM UNNUMBERED V ZONE**

SUBMIT FOR RATING

**TABLE 3F. REGULAR PROGRAM -- POST-FIRM CONSTRUCTION RATES  
ANNUAL RATES PER \$100 OF COVERAGE**

**1981 POST-FIRM V1-V30, VE ZONE RATES<sup>1,2</sup>**

Elevation of the lowest floor above or below BFE adjusted for wave height <sup>3</sup>	Elevated Buildings With Obstruction <sup>4</sup>				
	Contents		Building		
	Residential	Non-Residential	Replacement Cost Ratio .75 or More <sup>5</sup>	Replacement Cost Ratio .50 to .74 <sup>5</sup>	Replacement Cost Ratio Under .50 <sup>5</sup>
+4 or more	.41	.41	1.13	1.52	2.26
+3	.42	.42	1.27	1.67	2.55
+2	.54	.54	1.49	1.94	2.97
+1	.92	.97	1.73	2.32	3.35
0	1.31	1.38	2.03	2.79	3.78
-1 <sup>6</sup>	1.81	1.92	2.42	3.21	4.32
-2 <sup>6</sup>	2.52	2.68	3.01	3.95	5.13
-3 <sup>6</sup>	3.43	3.65	3.87	5.03	6.48
-4 or below <sup>6</sup>	***	***	***	***	***

<sup>1</sup> Policies for 1975 through 1981 Post-FIRM and Pre-FIRM buildings in Zones VE and V1-V30 will be allowed to use the Post-'81 V Zone rate table if the rates are more favorable to the insured. See instructions on page RATE 23 for V Zone Optional Rating.

<sup>2</sup> Rates provided are only for elevated buildings, except those elevated on solid perimeter foundation walls. For buildings elevated on solid perimeter foundation walls, and for non-elevated buildings, use the *Specific Rating Guidelines* document.

<sup>3</sup> Wave height adjustment is not required in those cases where the Flood Insurance Rate Map indicates that the map includes wave height.

<sup>4</sup> With Obstruction—The space below has an area of less than 300 square feet with breakaway solid walls or contains equipment below the BFE. If the space below has an area of 300 square feet or more, or if any portion of the space below the elevated floor is enclosed with non-breakaway walls, submit for rating. If the enclosure is at or above the BFE, use the "Free of Obstruction" rate table on the preceding page. The elevation of the bottom enclosure floor is the lowest floor for rating (LFE).

<sup>5</sup> These percentages represent building replacement cost ratios, which are determined by dividing the amount of building coverage being purchased by the replacement cost. See page RATE 20 for more details.

<sup>6</sup> For buildings with obstruction, use Submit-for-Rate guidelines if the enclosure below the lowest elevated floor of an elevated building, which is used for rating, is 1 or more feet below BFE.

\*\*\* **SUBMIT FOR RATING**

**1981 POST-FIRM UNNUMBERED V ZONE**

SUBMIT FOR RATING
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**TABLE 4. REGULAR PROGRAM -- FIRM ZONE AR AND AR DUAL ZONES RATES  
ANNUAL RATES PER \$100 OF COVERAGE  
(Basic/Additional)**

**PRE-FIRM NOT ELEVATION-RATED RATES<sup>1, 2</sup>**

OCCUPANCY		Single Family		2-4 Family		Other Residential		Non-Residential	
		Building	Contents	Building	Contents	Building	Contents	Building	Contents
<b>BUILDING TYPE</b>	No Basement/Enclosure	.64 / .17	.99 / .30	.64 / .17		.61 / .17		.61 / .17	
	With Basement	.73 / .24	1.12 / .35	.73 / .24		.78 / .24		.78 / .24	
	With Enclosure	.73 / .28	1.12 / .40	.73 / .28		.78 / .28		.78 / .28	
	Manufactured (Mobile) Home <sup>3</sup>	.64 / .31	.99 / .30					.78 / .32	
<b>CONTENTS LOCATION</b>	Basement & Above				1.26 / .46		1.26 / .46		1.30 / .50
	Enclosure & Above				1.26 / .53		1.26 / .53		1.30 / .60
	Lowest Floor Only - Above Ground Level				.99 / .48		.99 / .48		.80 / .35
	Lowest Floor Above Ground Level and Higher Floors				.99 / .30		.99 / .30		.80 / .25
	Above Ground Level - More than One Full Floor				.35 / .12		.35 / .12		.22 / .12
	Manufactured (Mobile) Home <sup>3</sup>								.70 / .43

<sup>1</sup> Start of construction or substantial improvement on or before 12/31/74, or before the effective date of the initial Flood Insurance Rate Map (FIRM).

<sup>2</sup> Base Deductible is \$1,000.

<sup>3</sup> The definition of Manufactured (Mobile) Home includes travel trailers. See Page APP 3.

**POST-FIRM NOT ELEVATION-RATED RATES<sup>1</sup>**

OCCUPANCY		Single Family		2-4 Family		Other Residential		Non-Residential	
		Building	Contents	Building	Contents	Building	Contents	Building	Contents
<b>BUILDING TYPE</b>	No Basement/Enclosure	.64 / .17	.99 / .30	.64 / .17		.61 / .17		.61 / .17	
	With Basement	.73 / .24	1.12 / .35	.73 / .24		.78 / .24		.78 / .24	
	With Enclosure	.73 / .28	1.12 / .40	.73 / .28		.78 / .28		.78 / .28	
	Manufactured (Mobile) Home <sup>2</sup>	.64 / .31	.99 / .30					.78 / .32	
<b>CONTENTS LOCATION</b>	Basement & Above				1.26 / .46		1.26 / .46		1.30 / .50
	Enclosure & Above				1.26 / .53		1.26 / .53		1.30 / .60
	Lowest Floor Only - Above Ground Level				.99 / .48		.99 / .48		.80 / .35
	Lowest Floor Above Ground Level and Higher Floors				.99 / .30		.99 / .30		.80 / .25
	Above Ground Level - More than One Full Floor				.35 / .12		.35 / .12		.22 / .12
	Manufactured (Mobile) Home <sup>2</sup>								.70 / .43

<sup>1</sup> Base Deductible is \$500.

<sup>2</sup> The definition of Manufactured (Mobile) Home includes travel trailers. See page APP 3.

**TABLE 5. REGULAR PROGRAM -- PRE-FIRM AND POST-FIRM  
ELEVATION-RATED RATES  
ANNUAL RATES PER \$100 OF COVERAGE  
(Basic/Additional)**

**FIRM ZONES AR and AR Dual Zones -- BUILDING RATES**

Elevation of Lowest Floor Above or Below BFE	One Floor, No Basement/Encl		More than One Floor, No Basement/Encl		More than One Floor, With Basement/Encl		Manufactured (Mobile) Home <sup>1</sup>	
	1-4 Family	Other Residential & Non-Residential	1-4 Family	Other Residential & Non-Residential	1-4 Family	Other Residential & Non-Residential	Single Family	Non-Residential
+4	.24 / .08	.20 / .08	.24 / .08	.20 / .08	.24 / .08	.20 / .08	.24 / .08	.20 / .08
+3	.24 / .08	.20 / .08	.24 / .08	.20 / .08	.24 / .08	.20 / .08	.25 / .08	.22 / .08
+2	.32 / .08	.26 / .08	.24 / .08	.20 / .08	.24 / .08	.20 / .08	.34 / .08	.28 / .08
+1	.61 / .08	.45 / .10	.38 / .08	.28 / .08	.29 / .08	.22 / .08	.64 / .09	.72 / .08
0	.64 / .17	.61 / .17	.64 / .17	.61 / .17	.62 / .08	.52 / .16	.64 / .31	.78 / .32
-1 <sup>2</sup>	See Footnote <sup>2</sup>							

**FIRM ZONES AR and AR Dual Zones -- CONTENTS RATES**

Elevation of Lowest Floor Above or Below BFE	Lowest Floor Only -- Above Ground Level (No Basement/Encl.)		Lowest Floor Above Ground Level & Higher Floors (No Basement/Encl.)		More than One Floor With Basement/Enclosure		Manufactured (Mobile) Home <sup>1</sup>	
	Residential	Non-Residential	Residential	Non-Residential	Residential	Non-Residential	Single Family	Non-Residential
+4	.38 / .12	.22 / .12	.38 / .12	.22 / .12	.38 / .12	.22 / .12	.38 / .12	.22 / .12
+3	.38 / .12	.22 / .12	.38 / .12	.22 / .12	.38 / .12	.22 / .12	.38 / .12	.22 / .12
+2	.38 / .12	.22 / .12	.38 / .12	.22 / .12	.38 / .12	.22 / .12	.38 / .12	.31 / .14
+1	.50 / .12	.30 / .18	.38 / .12	.22 / .12	.38 / .12	.22 / .12	.59 / .12	.48 / .20
0	1.10 / .12	.80 / .29	.65 / .12	.48 / .25	.40 / .12	.29 / .12	.99 / .30	.70 / .43
-1 <sup>2</sup>	See Footnote <sup>2</sup>							

**FIRM ZONES AR and AR Dual Zones -- CONTENTS RATES**

Elevation of Lowest Floor Above or Below BFE	Above Ground Level More than One Full Floor			
	Single Family	2-4 Family	Other Residential	Non-Residential
+4		.35 / .12	.35 / .12	.22 / .12
+3		.35 / .12	.35 / .12	.22 / .12
+2		.35 / .12	.35 / .12	.22 / .12
+1		.35 / .12	.35 / .12	.22 / .12
0		.35 / .12	.35 / .12	.22 / .12
-1 <sup>3</sup>		.35 / .12	.35 / .12	.22 / .12
-2 <sup>3</sup>		.35 / .12	.37 / .12	.24 / .12

<sup>1</sup> The definition of Manufactured (Mobile) Home includes travel trailers. See page APP 3.

<sup>2</sup> Use Table 4 Pre-FIRM and Post-FIRM Not Elevation-Rated AR and AR Dual Zones Rate Table.

<sup>3</sup> These rates are only applicable to Contents-only policies.

**TABLE 6.  
PRECALCULATED PRE-FIRM PREMIUM TABLE**

AMOUNT OF INSURANCE	PREMIUM <sup>1</sup> EXCLUDING ICC <sup>2</sup> AND FEDERAL POLICY FEE <sup>3</sup>			
	A, AE, A1-A30, AH, AO, D		V, VE, V1-V30	
	w/bsmt	w/o bsmt	w/bsmt	w/o bsmt
<b>BUILDING</b>				
\$ 20,000	\$ 162	\$ 152	\$ 212	\$ 198
\$ 30,000	\$ 243	\$ 228	\$ 318	\$ 297
\$ 40,000	\$ 324	\$ 304	\$ 424	\$ 396
\$ 50,000	\$ 405	\$ 380	\$ 530	\$ 495
\$ 60,000	\$ 464	\$ 420	\$ 685	\$ 598
\$ 70,000	\$ 523	\$ 460	\$ 846	\$ 701
\$ 80,000	\$ 582	\$ 500	\$ 995	\$ 804
\$ 90,000	\$ 641	\$ 540	\$1,150	\$ 907
\$100,000	\$ 700	\$ 580	\$1,305	\$1,010
\$125,000	\$ 848	\$ 680	\$1,696	\$1,268
\$150,000	\$ 995	\$ 780	\$2,080	\$1,525
\$175,000	\$1,143	\$ 880	\$2,468	\$1,783
\$200,000	\$1,290	\$ 980	\$2,855	\$2,040
\$225,000	\$1,438	\$1,080	\$3,243	\$2,298
\$250,000 <sup>4</sup>	\$1,585	\$1,180	\$3,630	\$2,555
<b>CONTENTS</b>				
\$ 5,000	\$ 48	\$ 48	\$ 62	\$ 62
\$ 10,000	\$ 96	\$ 96	\$ 123	\$ 123
\$ 15,000	\$144	\$144	\$ 185	\$ 185
\$ 20,000	\$192	\$192	\$ 246	\$ 246
\$ 25,000	\$222	\$228	\$ 321	\$ 336
\$ 30,000	\$252	\$264	\$ 396	\$ 425
\$ 40,000	\$312	\$336	\$ 546	\$ 604
\$ 50,000	\$372	\$408	\$ 696	\$ 783
\$ 60,000	\$432	\$480	\$ 846	\$ 962
\$ 70,000	\$492	\$552	\$ 996	\$1,141
\$ 80,000	\$552	\$624	\$1,146	\$1,320
\$ 90,000	\$612	\$696	\$1,296	\$1,499
\$100,000	\$672	\$768	\$1,446	\$1,678

<sup>1</sup> Premium before applying any CRS credits or optional deductible factors.

<sup>2</sup> For building coverage amounts of \$230,000 and less, add \$75 to the building premium selected from the table above to cover ICC cost, except for D zones. For D zones add \$6. For building coverage amounts above \$230,000, see Footnote 4 below.

<sup>3</sup> Add \$30 to the premium selected from the table above to cover Federal Policy Fee.

<sup>4</sup> Add \$60 to cover the ICC cost for the \$250,000 building limit, except for D zones. For D zones add \$4.

**TABLE 7. FEDERAL POLICY FEE AND PROBATION SURCHARGE TABLE**

FEDERAL POLICY FEE <sup>1</sup>	PROBATION SURCHARGE
\$30	\$50

<sup>1</sup> For the Preferred Risk Policy, the Federal Policy Fee is \$11.00.

**III. DEDUCTIBLES**

As shown in Table 8A below, the NFIP standard deductible is either \$500 or \$1,000. The insured may choose a deductible amount different from the standard \$500 for Post-FIRM or the standard \$1,000 for structures in the Emergency Program and those rated using Pre-FIRM rates in Zones A, AO, AH, A1-A30, AE, VO, V1-V30, VE, V, AR, and AR Dual Zones (AR/AE, AR/AH, AR/AO, AR/A1-A30, AR/A). The optional deductible amount may be applied to policies insuring properties in either Emergency Program or Regular Program communities. Refer to page CONDO 22 for Residential Condominium Building Association Policy optional deductibles.

**A. Buy-Back Deductibles**

Policyholders who wish to reduce their deductibles from the standard deductibles of \$1,000 for Pre-FIRM SFHA risks may opt to

purchase separate \$500 deductibles for building and contents coverages, for an additional premium. The deductible factors provided on pages RATE 13 and CONDO 22 must be used to calculate the deductible surcharge.

**B. Changes in Deductible Amount**

The amount of the deductible may be increased during the policy term by submitting a completed General Change Endorsement form. The deductible amount may be reduced through the submission of a new Application at the time of renewal. This procedure does not require the completion of the entire Flood Insurance Application. Deductibles cannot be reduced mid-term unless required by the mortgagee and written authorization is provided by the mortgagee. A 30-day waiting period will be applied to reduce the deductible.

**TABLE 8A. STANDARD DEDUCTIBLES**

EMERGENCY PROGRAM	REGULAR PROGRAM			
	Flood Zone	Pre-FIRM	Pre-FIRM with Optional Post-FIRM Elevation Rating	Post-FIRM
\$1,000	B, C, X, A99, D	\$500		\$500
	A, AO, AH, A1-A30, AE, VO, V1-V30, VE, V, AR, AR/AE, AR/AH, AR/AO, AR/A1-A30, AR/A	\$1,000	\$500	\$500

## EXAMPLE 2

### REGULAR PROGRAM, PRE-FIRM CONSTRUCTION, \$2,000/\$1,000 DEDUCTIBLE OPTION, ZONE B

**Data Essential To Determine Appropriate Rates and Premium:**

- **Regular Program**

- Flood Zone: B
- Occupancy: Single-Family Dwelling
- # of Floors: 2 Floors
- Basement/Enclosure: None
- Deductible: \$2,000/\$1,000
- Deductible Factor: .915
- Contents Location: Lowest Floor Above Ground Level and Higher Floors
- Date of Construction: Pre-FIRM
- Elevation Difference: N/A
- Flood Proofed Yes/No: No
- Building Coverage: \$150,000
- Contents Coverage: \$60,000
- ICC Premium: \$6
- CRS Rating: N/A
- CRS Discount: N/A

**Determined Rates:**

Building: .64/.17                      Contents: .99/.30

COVERAGE	BASIC LIMITS			ADDITIONAL LIMITS (REGULAR PROGRAM ONLY)			DEDUCTIBLE PREM. REDUCTION/ INCREASE	BASIC AND ADDITIONAL TOTAL AMOUNT OF INSURANCE	TOTAL PREMIUM	
	AMOUNT OF INSURANCE	RATE	ANNUAL PREMIUM	AMOUNT OF INSURANCE	RATE	ANNUAL PREMIUM				
BUILDING	<b>50,000</b>	<b>.64</b>	<b>320</b>	<b>100,000</b>	<b>.17</b>	<b>170</b>	<b>-42</b>	<b>150,000</b>	<b>448</b>	
CONTENTS	<b>20,000</b>	<b>.99</b>	<b>198</b>	<b>40,000</b>	<b>.30</b>	<b>120</b>	<b>-27</b>	<b>60,000</b>	<b>291</b>	
RATE TYPE: (ONE BUILDING PER POLICY—BLANKET COVERAGE NOT PERMITTED) <input type="checkbox"/> MANUAL <input type="checkbox"/> SUBMIT FOR RATING <input type="checkbox"/> ALTERNATIVE <input type="checkbox"/> V-ZONE RISK RATING FORM <input type="checkbox"/> MORTGAGE PORTFOLIO PROTECTION PROGRAM <input type="checkbox"/> PROVISIONAL RATING							PAYMENT OPTION: <input type="checkbox"/> CREDIT CARD <input type="checkbox"/> OTHER: _____		ANNUAL SUBTOTAL	<b>739</b>
							ICC PREMIUM		<b>6</b>	
							SUBTOTAL		<b>745</b>	
							CRS PREMIUM DISCOUNT ____%		—	
							SUBTOTAL		<b>745</b>	
THE ABOVE STATEMENTS ARE CORRECT TO THE BEST OF MY KNOWLEDGE. I UNDERSTAND THAT ANY FALSE STATEMENTS MAY BE PUNISHABLE BY FINE OR IMPRISONMENT UNDER APPLICABLE FEDERAL LAW.  _____ SIGNATURE OF INSURANCE AGENT/BROKER                                      DATE (MM/DD/YY)							PROBATION SURCHARGE		—	
							FEDERAL POLICY FEE		<b>30</b>	
							TOTAL PREPAID AMOUNT		<b>775</b>	

**Premium Calculation:**

- |                                       |   |
|---------------------------------------|---|
| 1. Multiply Rate x \$100 of Coverage: | Building: \$490 / Contents: \$318                               |
| 2. Apply Deductible Factor:           | Building: .915 x \$490 = \$448 / Contents: .915 x \$318 = \$291 |
| 3. Premium Reduction:                 | Building: \$490 - \$448 = \$42 / Contents: \$318 - \$291 = \$27 |
| 4. Subtotal:                          | \$739   |
| 5. Add ICC Premium:                   | \$6   |
| 6. Subtract CRS Discount:             | N/A   |
| 7. Subtotal:                          | \$745   |
| 8. Probation Surcharge:               | N/A   |
| 9. Add Federal Policy Fee:            | \$30  |
| 10. Total Prepaid Amount:             | \$775   |

### EXAMPLE 3

#### REGULAR PROGRAM, PRE-FIRM CONSTRUCTION, \$500 DEDUCTIBLE OPTION (SURCHARGE), ZONE AE

**Data Essential To Determine Appropriate Rates and Premium:**

- **Regular Program**
- Flood Zone: AE
- Occupancy: Single-Family Dwelling
- # of Floors: 2 Floors
- Basement/Enclosure: Enclosure
- Deductible: \$500/\$500
- Deductible Factor: 1.100 (Surcharge)
- Contents Location: Enclosure and Above
- Date of Construction: Pre-FIRM
- Elevation Difference: N/A
- Flood Proofed Yes/No: No
- Building Coverage: \$150,000
- Contents Coverage: \$60,000
- ICC Premium: \$75
- CRS Rating: N/A
- CRS Discount: N/A

**Determined Rates:**

Building: .81/.71                      Contents: .96/.72

COVERAGE	BASIC LIMITS			ADDITIONAL LIMITS (REGULAR PROGRAM ONLY)			DEDUCTIBLE PREM. REDUCTION/ INCREASE	BASIC AND ADDITIONAL TOTAL AMOUNT OF INSURANCE	TOTAL PREMIUM
	AMOUNT OF INSURANCE	RATE	ANNUAL PREMIUM	AMOUNT OF INSURANCE	RATE	ANNUAL PREMIUM			
BUILDING	<b>50,000</b>	<b>.81</b>	<b>405</b>	<b>100,000</b>	<b>.71</b>	<b>710</b>	<b>+112</b>	<b>150,000</b>	<b>1,227</b>
CONTENTS	<b>20,000</b>	<b>.96</b>	<b>192</b>	<b>40,000</b>	<b>.72</b>	<b>288</b>	<b>+48</b>	<b>60,000</b>	<b>528</b>
RATE TYPE: (ONE BUILDING PER POLICY—BLANKET COVERAGE NOT PERMITTED) <input type="checkbox"/> MANUAL <input type="checkbox"/> SUBMIT FOR RATING <input type="checkbox"/> ALTERNATIVE <input type="checkbox"/> V-ZONE RISK RATING FORM <input type="checkbox"/> MORTGAGE PORTFOLIO PROTECTION PROGRAM <input type="checkbox"/> PROVISIONAL RATING							PAYMENT OPTION: <input type="checkbox"/> CREDIT CARD <input type="checkbox"/> OTHER: _____		ANNUAL SUBTOTAL <b>1,755</b>
							ICC PREMIUM <b>75</b>		
							SUBTOTAL <b>1,830</b>		
							CRS PREMIUM DISCOUNT ____% <b>—</b>		
							SUBTOTAL <b>1,830</b>		
THE ABOVE STATEMENTS ARE CORRECT TO THE BEST OF MY KNOWLEDGE. I UNDERSTAND THAT ANY FALSE STATEMENTS MAY BE PUNISHABLE BY FINE OR IMPRISONMENT UNDER APPLICABLE FEDERAL LAW.							PROBATION SURCHARGE <b>—</b>		
							FEDERAL POLICY FEE <b>30</b>		
_____ SIGNATURE OF INSURANCE AGENT/BROKER							_____ DATE (MM/DD/YY)		
							TOTAL PREPAID AMOUNT <b>1,860</b>		

**Premium Calculation:**

- |                                       |   |
|---------------------------------------|---|
| 1. Multiply Rate x \$100 of Coverage: | Building: \$1,115 / Contents: \$480                                   |
| 2. Apply Deductible Factor:           | Building: 1.100 x \$1,115 = \$1,227 / Contents: 1.100 x \$480 = \$528 |
| 3. Premium Increase:                  | Building: \$1,227 - \$1,115 = \$112 / Contents: \$528 - \$480 = \$48  |
| 4. Subtotal:                          | \$1,755   |
| 5. Add ICC Premium:                   | \$75  |
| 6. Subtract CRS Discount:             | N/A   |
| 7. Subtotal:                          | \$1,830   |
| 8. Probation Surcharge:               | N/A   |
| 9. Add Federal Policy Fee:            | \$30  |
| 10. Total Prepaid Amount:             | \$1,860   |

## EXAMPLE 4

### REGULAR PROGRAM, PRE-FIRM CONSTRUCTION, \$3,000/\$2,000 DEDUCTIBLE OPTION, ZONE A15

**Data Essential To Determine Appropriate Rates and Premium:**

- **Regular Program**
- Flood Zone: A15
- Occupancy: Single-Family Dwelling
- # of Floors: 3 Floors
- Basement/Enclosure: Basement
- Deductible: \$3,000/\$2,000 Building and Contents
- Deductible Factor: .875
- Contents Location: Basement and Above
- Date of Construction: Pre-FIRM
- Elevation Difference: N/A
- Flood Proofed Yes/No: No
- Building Coverage: \$250,000
- Contents Coverage: \$100,000
- ICC Premium: \$60
- CRS Rating: 4
- CRS Discount: 30%

**Determined Rates:**

Building: .81/.59                      Contents: .96/.60

COVERAGE	BASIC LIMITS			ADDITIONAL LIMITS (REGULAR PROGRAM ONLY)			DEDUCTIBLE PREM. REDUCTION/ INCREASE	BASIC AND ADDITIONAL TOTAL AMOUNT OF INSURANCE	TOTAL PREMIUM	
	AMOUNT OF INSURANCE	RATE	ANNUAL PREMIUM	AMOUNT OF INSURANCE	RATE	ANNUAL PREMIUM				
BUILDING	<b>50,000</b>	<b>.81</b>	<b>405</b>	<b>200,000</b>	<b>.59</b>	<b>1,180</b>	<b>-198</b>	<b>250,000</b>	<b>1,387</b>	
CONTENTS	<b>20,000</b>	<b>.96</b>	<b>192</b>	<b>80,000</b>	<b>.60</b>	<b>480</b>	<b>-84</b>	<b>100,000</b>	<b>588</b>	
RATE TYPE: (ONE BUILDING PER POLICY—BLANKET COVERAGE NOT PERMITTED) <input type="checkbox"/> MANUAL <input type="checkbox"/> SUBMIT FOR RATING <input type="checkbox"/> ALTERNATIVE <input type="checkbox"/> V-ZONE RISK RATING FORM <input type="checkbox"/> MORTGAGE PORTFOLIO PROTECTION PROGRAM <input type="checkbox"/> PROVISIONAL RATING							PAYMENT OPTION:  <input type="checkbox"/> CREDIT CARD <input type="checkbox"/> OTHER: _____		ANNUAL SUBTOTAL  ICC PREMIUM  SUBTOTAL  CRS PREMIUM DISCOUNT <u>30%</u>  SUBTOTAL	<b>1,975</b>          <b>2,035</b>       <b>1,424</b>
THE ABOVE STATEMENTS ARE CORRECT TO THE BEST OF MY KNOWLEDGE. I UNDERSTAND THAT ANY FALSE STATEMENTS MAY BE PUNISHABLE BY FINE OR IMPRISONMENT UNDER APPLICABLE FEDERAL LAW.							PROBATION SURCHARGE  FEDERAL POLICY FEE		—  <b>30</b>	
SIGNATURE OF INSURANCE AGENT/BROKER					DATE (MM/DD/YY)		TOTAL PREPAID AMOUNT		<b>1,454</b>	

**Premium Calculation:**

- |                                       |  |
|---------------------------------------|--|
| 1. Multiply Rate x \$100 of Coverage: | Building: \$1,585 / Contents: \$672                                  |
| 2. Apply Deductible Factor:           | Building: .875 x \$1,585 = \$1,387 / Contents: .875 x \$672 = \$588  |
| 3. Premium Reduction:                 | Building: \$1,585 - \$1,387 = \$198 / Contents: \$672 - \$588 = \$84 |
| 4. Subtotal:                          | \$1,975  |
| 5. Add ICC Premium:                   | \$60   |
| 6. Subtract CRS Discount:             | -\$611 (30%)   |
| 7. Subtotal:                          | \$1,424  |
| 8. Probation Surcharge:               | N/A  |
| 9. Add Federal Policy Fee:            | \$30   |
| 10. Total Prepaid Amount:             | \$1,454  |

## EXAMPLE 5

### REGULAR PROGRAM, POST-FIRM, ELEVATION RATED, \$5,000/\$5,000 DEDUCTIBLE OPTION, ZONE AE

#### Data Essential To Determine Appropriate Rates and Premium:

- **Regular Program**
- Flood Zone: AE
- Occupancy: Non-Residential
- # of Floors: 2 Floors
- Basement/Enclosure: None
- Deductible: \$5,000/\$5,000
- Deductible Factor: .870
- Contents Location: Above Ground Level and Higher Floors
- Date of Construction: Post-FIRM
- Elevation Difference: +4
- Flood Proofed Yes/No: No
- Building Coverage: \$500,000
- Contents Coverage: \$500,000
- ICC Premium: \$4
- CRS Rating: 5
- CRS Discount: 25%

#### Determined Rates:

Building: .20/.08                      Contents: .22/.12

COVERAGE	BASIC LIMITS			ADDITIONAL LIMITS (REGULAR PROGRAM ONLY)			DEDUCTIBLE PREM. REDUCTION/ INCREASE	BASIC AND ADDITIONAL TOTAL AMOUNT OF INSURANCE	TOTAL PREMIUM	
	AMOUNT OF INSURANCE	RATE	ANNUAL PREMIUM	AMOUNT OF INSURANCE	RATE	ANNUAL PREMIUM				
BUILDING	<b>150,000</b>	<b>.20</b>	<b>300</b>	<b>350,000</b>	<b>.08</b>	<b>280</b>	<b>-75</b>	<b>500,000</b>	<b>505</b>	
CONTENTS	<b>130,000</b>	<b>.22</b>	<b>286</b>	<b>370,000</b>	<b>.12</b>	<b>444</b>	<b>-95</b>	<b>500,000</b>	<b>635</b>	
RATE TYPE: (ONE BUILDING PER POLICY—BLANKET COVERAGE NOT PERMITTED) <input type="checkbox"/> MANUAL <input type="checkbox"/> SUBMIT FOR RATING <input type="checkbox"/> ALTERNATIVE <input type="checkbox"/> V-ZONE RISK RATING FORM <input type="checkbox"/> MORTGAGE PORTFOLIO PROTECTION PROGRAM <input type="checkbox"/> PROVISIONAL RATING							PAYMENT OPTION: <input type="checkbox"/> CREDIT CARD <input type="checkbox"/> OTHER: _____		ANNUAL SUBTOTAL	<b>1,140</b>
							ICC PREMIUM		<b>4</b>	
							SUBTOTAL		<b>1,144</b>	
							CRS PREMIUM DISCOUNT <u>25%</u>		<b>-286</b>	
							SUBTOTAL		<b>858</b>	
THE ABOVE STATEMENTS ARE CORRECT TO THE BEST OF MY KNOWLEDGE. I UNDERSTAND THAT ANY FALSE STATEMENTS MAY BE PUNISHABLE BY FINE OR IMPRISONMENT UNDER APPLICABLE FEDERAL LAW.  _____ SIGNATURE OF INSURANCE AGENT/BROKER                      DATE (MM/DD/YY)							PROBATION SURCHARGE		—	
							FEDERAL POLICY FEE		<b>30</b>	
							TOTAL PREPAID AMOUNT		<b>888</b>	

#### Premium Calculation:

- |                                       |   |
|---------------------------------------|---|
| 1. Multiply Rate x \$100 of Coverage: | Building: \$580 / Contents: \$730                               |
| 2. Apply Deductible Factor:           | Building: .870 x \$580 = \$505 / Contents: .870 x \$730 = \$635 |
| 3. Premium Reduction:                 | Building: \$580 - \$505 = \$75 / Contents: \$730 - \$635 = \$95 |
| 4. Subtotal:                          | \$1,140   |
| 5. Add ICC Premium:                   | \$4   |
| 6. Subtract CRS Discount:             | -\$286 (25%)  |
| 7. Subtotal:                          | \$858   |
| 8. Probation Surcharge:               | N/A   |
| 9. Add Federal Policy Fee:            | \$30  |
| 10. Total Prepaid Amount:             | \$888   |



## EXAMPLE 6

### REGULAR PROGRAM, 1975-81 POST-FIRM V1-V30, ELEVATION RATED, ZONE V13

**Data Essential To Determine Appropriate Rates and Premium:**

- **Regular Program**

- Flood Zone: V13
- Occupancy: Single-Family Dwelling
- # of Floors: 2 Floors
- Basement/Enclosure: None
- Deductible: \$500/\$500
- Deductible Factor: 1.000
- Contents Location: Lowest Floor Above Ground Level and Higher Floors
- Date of Construction: 1975 - 81 (Post-FIRM)
- Elevation Difference: +1
- Flood Proofed Yes/No: No
- Building Coverage: \$150,000
- Contents Coverage: \$100,000
- ICC Premium: \$35
- CRS Rating: 8
- CRS Discount: 10%

**Determined Rates:**

Building: 1.69/.38                      Contents: 2.11/.50

COVERAGE	BASIC LIMITS			ADDITIONAL LIMITS (REGULAR PROGRAM ONLY)			DEDUCTIBLE PREM. REDUCTION/ INCREASE	BASIC AND ADDITIONAL TOTAL AMOUNT OF INSURANCE	TOTAL PREMIUM
	AMOUNT OF INSURANCE	RATE	ANNUAL PREMIUM	AMOUNT OF INSURANCE	RATE	ANNUAL PREMIUM			
BUILDING	<b>50,000</b>	<b>1.69</b>	<b>845</b>	<b>100,000</b>	<b>.38</b>	<b>380</b>	<b>0</b>	<b>150,000</b>	<b>1,225</b>
CONTENTS	<b>20,000</b>	<b>2.11</b>	<b>422</b>	<b>80,000</b>	<b>.50</b>	<b>400</b>	<b>0</b>	<b>100,000</b>	<b>822</b>
RATE TYPE: (ONE BUILDING PER POLICY—BLANKET COVERAGE NOT PERMITTED) <input type="checkbox"/> MANUAL <input type="checkbox"/> SUBMIT FOR RATING <input type="checkbox"/> ALTERNATIVE <input type="checkbox"/> V-ZONE RISK RATING FORM <input type="checkbox"/> MORTGAGE PORTFOLIO PROTECTION PROGRAM <input type="checkbox"/> PROVISIONAL RATING							PAYMENT OPTION: <input type="checkbox"/> CREDIT CARD <input type="checkbox"/> OTHER: _____		ANNUAL SUBTOTAL <b>2,047</b>
							ICC PREMIUM <b>35</b>		
							SUBTOTAL <b>2,082</b>		
							CRS PREMIUM DISCOUNT <u>10%</u> <b>-208</b>		
							SUBTOTAL <b>1,874</b>		
THE ABOVE STATEMENTS ARE CORRECT TO THE BEST OF MY KNOWLEDGE. I UNDERSTAND THAT ANY FALSE STATEMENTS MAY BE PUNISHABLE BY FINE OR IMPRISONMENT UNDER APPLICABLE FEDERAL LAW.							PROBATION SURCHARGE —		
							FEDERAL POLICY FEE <b>30</b>		
SIGNATURE OF INSURANCE AGENT/BROKER _____ DATE (MM/DD/YY) _____							TOTAL PREPAID AMOUNT <b>1,904</b>		

**Premium Calculation:**

- |                                       |   |
|---------------------------------------|---|
| 1. Multiply Rate x \$100 of Coverage: | Building: \$1,225 / Contents: \$822                                   |
| 2. Apply Deductible Factor:           | Building: 1.000 x \$1,225 = \$1,225 / Contents: 1.000 x \$822 = \$822 |
| 3. Premium Reduction/Increase:        | Building: \$0 / Contents: \$0   |
| 4. Subtotal:                          | \$2,047   |
| 5. Add ICC Premium:                   | \$35  |
| 6. Subtract CRS Discount:             | -\$208 (10%)  |
| 7. Subtotal:                          | \$1,874   |
| 8. Probation Surcharge:               | N/A   |
| 9. Add Federal Policy Fee:            | \$30  |
| 10. Total Prepaid Amount:             | \$1,904   |

## EXAMPLE 7

### REGULAR PROGRAM, POST-1981 VE OR V1-V30, WITH ENCLOSURE, ZONE VE

**Data Essential To Determine Appropriate Rates and Premium:**

- **Regular Program**

- Flood Zone: VE
- Occupancy: Single-Family Dwelling
- # of Floors: 3 or More Floors
- Basement/Enclosure: Enclosure (< 300 sq. ft., w/o M&E)
- Deductible: \$3,000/\$3,000
- Deductible Factor: .825
- Contents Location: Lowest Floor Above Ground Level and Higher Floors
- Date of Construction: Post-81
- Elevation Difference: -1
- Flood Proofed Yes/No: No
- Replacement Cost: \$300,000
- Building Coverage: \$250,000
- Contents Coverage: \$100,000
- ICC Premium: \$14
- CRS Rating: 9
- CRS Discount: 5%

**Determined Rates:**

■ Building: 2.42/2.42                      Contents: 1.81/1.81

COVERAGE	BASIC LIMITS			ADDITIONAL LIMITS (REGULAR PROGRAM ONLY)			DEDUCTIBLE PREM. REDUCTION/ INCREASE	BASIC AND ADDITIONAL TOTAL AMOUNT OF INSURANCE	TOTAL PREMIUM	
	AMOUNT OF INSURANCE	RATE	ANNUAL PREMIUM	AMOUNT OF INSURANCE	RATE	ANNUAL PREMIUM				
BUILDING	<b>50,000</b>	<b>2.42</b>	<b>1,120</b>	<b>200,000</b>	<b>2.42</b>	<b>4,840</b>	<b>-1,059</b>	<b>250,000</b>	<b>4,991</b>	
CONTENTS	<b>20,000</b>	<b>1.81</b>	<b>362</b>	<b>80,000</b>	<b>1.81</b>	<b>1,448</b>	<b>-317</b>	<b>100,000</b>	<b>1,493</b>	
RATE TYPE: (ONE BUILDING PER POLICY—BLANKET COVERAGE NOT PERMITTED) <input type="checkbox"/> MANUAL <input type="checkbox"/> SUBMIT FOR RATING <input type="checkbox"/> ALTERNATIVE <input type="checkbox"/> V-ZONE RISK RATING FORM <input type="checkbox"/> MORTGAGE PORTFOLIO PROTECTION PROGRAM <input type="checkbox"/> PROVISIONAL RATING							PAYMENT OPTION: <input type="checkbox"/> CREDIT CARD <input type="checkbox"/> OTHER: _____		ANNUAL SUBTOTAL	<b>6,484</b>
							ICC PREMIUM		<b>14</b>	
							SUBTOTAL		<b>6,498</b>	
							CRS PREMIUM DISCOUNT <u>5%</u>		<b>-325</b>	
							SUBTOTAL		<b>6,173</b>	
THE ABOVE STATEMENTS ARE CORRECT TO THE BEST OF MY KNOWLEDGE. I UNDERSTAND THAT ANY FALSE STATEMENTS MAY BE PUNISHABLE BY FINE OR IMPRISONMENT UNDER APPLICABLE FEDERAL LAW.  _____ SIGNATURE OF INSURANCE AGENT/BROKER                                      DATE (MM/DD/YY)							PROBATION SURCHARGE		—	
							FEDERAL POLICY FEE		<b>30</b>	
							TOTAL PREPAID AMOUNT		<b>6,203</b>	

**Premium Calculation:**

1. Multiply Rate x \$100 of Coverage:    Building: \$6,050 / Contents: \$1,810
2. Apply Deductible Factor:                Building: .825 x \$6,050 = \$4,991 / Contents: .825 x \$1,810 = \$1,493
3. Premium Reduction:                      Building: \$6,050 - \$4,991 = \$1,059 / Contents: \$1,810 - \$1,493 = \$317
4. Subtotal:                                      \$6,484
5. Add ICC Premium:                            \$14
6. Subtract CRS Discount:                    -\$325 (5%)
7. Subtotal:                                      \$6,173
8. Probation Surcharge:                      N/A
9. Add Federal Policy Fee:                    \$30
10. Total Prepaid Amount:                    \$6,203

## TABLE 2. CONDOMINIUM RATING CHART (Cont'd)

### HIGH-RISE RESIDENTIAL CONDOMINIUMS

#### MULTI-UNIT BUILDING—5 OR MORE UNITS PER BUILDING—THREE OR MORE FLOORS<sup>6</sup>

PURCHASER OF POLICY	Building Occupancy <sup>1</sup>	Building Indicator <sup>1</sup>	Contents Indicator <sup>2</sup>	Limits of Coverage	Type of Coverage	Rate Table <sup>3</sup>	Policy Form <sup>4</sup>
UNIT OWNER	OTHER RESIDENTIAL	SINGLE UNIT	HOUSEHOLD	BUILDING—\$250,000 CONTENTS—\$100,000	RC <sup>5</sup>	SINGLE FAMILY FOR BUILDING; OTHER RESIDENTIAL FOR CONTENTS	DWELLING
ASSOCIATION (SINGLE UNIT ONLY)	OTHER RESIDENTIAL	SINGLE UNIT	HOUSEHOLD	BUILDING—\$250,000 CONTENTS—\$100,000	RC <sup>5</sup>	SINGLE FAMILY FOR BUILDING; OTHER RESIDENTIAL FOR CONTENTS	DWELLING
ASSOCIATION (ENTIRE BUILDING)	OTHER RESIDENTIAL	HIGH-RISE	HOUSEHOLD	BUILDING—THE TOTAL NUMBER OF UNITS X \$250,000 CONTENTS—\$100,000	RC	RCBAP HIGH-RISE	RCBAP

### NON-RESIDENTIAL CONDOMINIUMS

PURCHASER OF POLICY	Building Occupancy <sup>1</sup>	Building Indicator <sup>1</sup>	Contents Indicator <sup>2</sup>	Limits of Coverage	Type of Coverage	Rate Table <sup>3</sup>	Policy Form <sup>4</sup>
UNIT OWNER	NON-RESIDENTIAL	SINGLE UNIT (BUILDING COVERAGE NOT AVAILABLE)	BUSINESS	EMERGENCY—\$100,000 REGULAR—\$500,000 CONTENTS ONLY	ACV	NON-RESIDENTIAL	GENERAL PROPERTY
ASSOCIATION	NON-RESIDENTIAL	LOW-RISE	BUSINESS	BUILDING— EMERGENCY—\$100,000 REGULAR—\$500,000  CONTENTS— EMERGENCY—\$100,000 REGULAR—\$500,000	ACV	NON-RESIDENTIAL	GENERAL PROPERTY

<sup>1</sup>When there is a mixture of residential and commercial usage within a single building, please refer to the GR Section of the *Flood Insurance Manual*.

<sup>2</sup>In determining the contents indicator for "other than household contents," please refer to the RATE Section of the *Flood Insurance Manual*.

<sup>3</sup>All building rates are based on the lowest floor of the building.

<sup>4</sup>RCBAP must be used to insure residential condominium buildings owned by the association that are in a Regular Program community and in which at least 75% of the total floor area within the building is residential. Use General Property Form if ineligible under RCBAP.

<sup>5</sup>Replacement Cost if the RC eligibility requirements are met (building only).

<sup>6</sup>Enclosure, even if it is the lowest floor for rating, cannot be counted as a floor for the purpose of classifying the building as a high rise.

## RESIDENTIAL CONDOMINIUM BUILDING ASSOCIATION POLICY

### II. POLICY FORM

The policy form used for the residential condominium buildings owned by a condominium association is the Residential Condominium Building Association Policy (RCBAP).

### III. ELIGIBILITY REQUIREMENTS

#### A. General Building Eligibility

The RCBAP is required for all buildings owned by a condominium association containing one or more residential units and in which at least 75 percent of the total floor area within the building is residential without regard to the number of units or number of floors. This will include townhouse/rowhouse and detached single family condominium buildings. The RCBAP is available for all high-rise and low-rise residential condominium buildings in the **Regular** Program only.

Residential condominium buildings that are being used as a hotel or motel, or are being rented (either short- or long-term), must be insured on the RCBAP.

Only buildings having a condominium form of ownership are eligible for the RCBAP. Co-operative ownership buildings are *not* eligible. Timeshare buildings having condominium form of ownership in jurisdictions where title is vested in individual unit owners are eligible provided all other criteria are met.

The NFIP has grouped condominium buildings into two different types, low- and high-rise, because of the difference in the exposures to the risk that typically exists. Low-rise buildings generally have a greater percentage of the value of the building at risk than high-rise buildings, thus requiring higher premiums for the first dollars of coverage. The availability of the optional deductibles for the low-rise buildings, however, allows the association to buy back some of the risk, thereby reducing the overall cost of the coverage.

For rating purposes:

- *High-rise buildings* contain five or more units and at least three floors excluding enclosure, even if it is the lowest floor for rating.
- *Low-rise buildings* have less than five units regardless of the number of floors, or five or more units with less than three floors, including the basement.

- *Townhouse/rowhouse* buildings are always considered as low-rise buildings for rating purposes, no matter how many units or floors they have.

See the Definitions section for a complete definition of high-rise and low-rise buildings.

The *individual unit owners* continue to have an option to purchase an SFIP Dwelling Form.

#### B. Condominium Building in the Course of Construction

The NFIP rules allow the issuance of an SFIP to cover a building in the course of construction before the building is walled and roofed. These rules provide lenders an option to require flood insurance coverage at the time that the development loan is made to comply with the mandatory purchase requirement outlined in the Flood Disaster Protection Act of 1973, as amended. The policy is issued and rated based on the construction designs and intended use of the building.

In order for a condominium building in the course of construction to be eligible under the RCBAP form, the building must be owned by a condominium association, which the NFIP defines as the entity made up of the unit owners responsible for the maintenance and operation of:

1. common elements owned in undivided shares by unit owners; and
2. other real property in which the unit owners have use rights;

where membership in the entity is a required condition of unit ownership.

As noted on page GR 4, buildings in the course of construction that have yet to be walled and roofed are eligible for coverage except when construction has been halted for more than 90 days and/or if the lowest floor used for rating purposes is below the Base Flood Elevation (BFE). Materials or supplies intended for use in such construction, alteration, or repair are not insurable unless they are contained within an enclosed building on the premises or adjacent to the premises.

### IV. COVERAGE

#### A. Property Covered

The entire building is covered under one policy, including both the common as well as individually owned building elements within the units,

improvements within the units, and contents owned in common. Contents owned by individual unit owners should be insured under an individual unit owner's Dwelling Form.

## B. Coverage Limits

Building coverage purchased under the RCBAP will be on a Replacement Cost basis.

The maximum amount of *building* coverage that can be purchased on a high-rise or low-rise condominium is the Replacement Cost Value of the building or the total number of units in the condominium building times \$250,000, whichever is less.

The maximum allowable *contents* coverage is the Actual Cash Value of the commonly owned contents up to a maximum of \$100,000 per building.

Basic Limit Amount:

- The building basic limit amount of insurance for a detached building housing a single family unit owned by the condominium association is \$50,000.
- For residential townhouse/rowhouse and low-rise condominiums, the building basic limit amount of insurance is \$50,000 multiplied by the number of units in the building.
- For high-rise condominiums, the building basic amount of insurance is \$150,000.
- The contents basic limit amount of insurance is \$20,000.
- For condominium unit owners who have insured their personal property under the Dwelling Form or General Property Form, coverage extends to interior walls, floor, and ceiling (if not covered under the condominium association's insurance) up to 10 percent of the personal property limit of liability. Use of this coverage is at the option of the insured and reduces the personal property limit of liability.

## C. Replacement Cost and Coinsurance

Replacement cost coverage is available for building coverage only on RCBAPs and Dwelling Forms meeting eligibility requirements. Coinsurance penalties are applied for *building coverage* only. To the extent the insured has not purchased insurance in an amount equal to the

lesser of 80 percent or more of the full replacement cost of the building at the time of loss or the maximum amount of insurance under the NFIP, the insured will not be reimbursed fully for a loss. Building coverage purchased under individual Dwelling Forms cannot be added to RCBAP coverage in order to avoid the coinsurance penalty. The amount of loss in this case will be determined by using the following formula:

**Insurance Carried X Amount of Loss = Limit of Recovery**  
**Insurance Required**

Where the penalty applies, building loss under the RCBAP will be adjusted based on the Replacement Cost Coverage with a coinsurance penalty. Building loss under the Dwelling Form will be adjusted on an Actual Cash Value (ACV) basis if the Replacement Cost provision is not met. The cost of bringing the building into compliance with local codes (law and ordinance) is not included in the calculation of replacement cost.

## D. Assessment Coverage

The RCBAP does not provide assessment coverage.

Assessment coverage is available only under the Dwelling Form subject to the conditions and exclusions found in Section III. Property Covered, Coverage C, paragraph 3 – Condominium Loss Assessments. The Dwelling Form will respond, up to the building coverage limit, to assessments against unit owners for damages to common areas of any building owned by the condominium association, even if the building is not insured, provided that: (1) each of the unit owners comprising the membership of the association is assessed by reason of the same cause; and (2) the assessment arises out of a direct physical loss by or from flood to the condominium building at the time of the loss. Assessment coverage has a maximum combined total limit of \$250,000 per unit. This combined total limit covers loss to the unit and any assessment by the association.

Assessment coverage cannot be used to meet the 80-percent coinsurance provision of the RCBAP, and does not apply to ICC coverage or to coverage for closed basin lakes.

## V. DEDUCTIBLES AND FEES

### A. Deductibles

The loss deductible shall apply separately to each building and personal property covered loss including any appurtenant structure loss.

The Standard Deductible is \$1,000 for a residential condominium building, located in a Regular Program Community in Special Flood Hazard Areas, i.e., Zones A, AO, AH, A1-A30, AE, AR, AR dual zones (AR/AE, AR/AH, AR/AO, AR/A1-A30, AR/A), V, V1-V30, or VE, where the rates available for buildings built before the effective date of the initial Flood Insurance Rate Map (FIRM), Pre-FIRM rates, are used to compute the premium.

For all policies rated other than those described above, e.g., those rated as Post-FIRM and those rated in Zones A99, B, C, D, or X, the Standard Deductible is \$500.

Optional deductible amounts are available under the RCBAP.

## **B. Federal Policy Fee**

The following are the Federal Policy Fees for the RCBAP:

1 unit	- \$ 30.00 per policy
2-4 units	- \$ 60.00 per policy
5-10 units	- \$150.00 per policy
11-20 units	- \$330.00 per policy
21 or more	- \$630.00 per policy

## **VI. TENTATIVE RATES AND SCHEDULED BUILDINGS**

Tentative Rates cannot be applied to the RCBAP. The Scheduled Building Policy is not available for the RCBAP.

## **VII. COMMISSIONS (DIRECT BUSINESS ONLY)**

The commission, 15 percent, will be reduced to 5 percent on only that portion of the premium that exceeds the figure resulting from multiplying the total number of units times \$2,000.

## **VIII. CANCELLATION OR ENDORSEMENT OF EXISTING UNIT OWNERS' DWELLING POLICIES**

Unit owner's Dwelling Policies may be cancelled mid-term for the reasons mentioned in the Cancellation/Nullification section of the manual. To cancel building coverage while retaining contents coverage on a unit owner's policy, submit a General Change Endorsement form. In the event of a cancellation:

- The commission on a unit owner's policy will be retained, in full, by the producer,
- The Federal Policy Fee and Probation Surcharge will be refunded on a pro rata basis, and

- The premium refund will be calculated on a pro rata basis.

An existing Dwelling Policy or RCBAP may be endorsed to increase amounts of coverage in accordance with Endorsement rules. They may not be endorsed mid-term to reduce coverage.

## **IX. APPLICATION FORM**

The producer should complete the entire Flood Insurance Application according to the directions in the Application section of this manual and attach two new photographs of the building, one of which clearly shows the location of the lowest floor used for rating the risk.

### **A. Type of Building**

For an RCBAP, the "Building" section of the Flood Insurance Application must indicate the total number of units in the building and whether the building is a high rise or low rise.

High-rise (vertical) condominium buildings are defined as containing at least five units, and having at least three floors. Note that an enclosure below an elevated floor building, even if it is the lowest floor for rating purposes, cannot be counted as a floor to classify the building as a high-rise condominium building.

Low-rise condominium buildings are defined as having less than five units and/or less than three floors. In addition, low-rise also includes all townhouses/rowhouses regardless of the number of floors or units, and all detached single family buildings.

For a Dwelling Form used to insure a condominium unit, or for a Condominium Association Policy, see the Application section of this manual.

### **B. Replacement Cost Value**

For an RCBAP, use normal company practice to estimate the Replacement Cost Value (RCV) and enter the value in the "Building" section of the Application. Include the cost of the building foundation when determining the RCV. Attach the appropriate valuation to the Application.

Acceptable documentation of a building's RCV is a recent property inspection report that states the building's value on an RCV basis. The cost of the building's foundation must be included in determining the RCV. The cost of bringing the building into compliance with local codes (law and ordinance) is not to be included in the calculation of the building's replacement cost. To maintain

reasonable accuracy of the RCV for the building, the agent must update this information at least every 3 years.

### **C. Coverage**

Ensure that the "Coverage and Rating" section of the Application accurately reflects the desired amount of building and contents coverage.

If only building insurance is to be purchased, inform the applicant of the availability of contents insurance for contents that are commonly owned. It is recommended that the applicant initial the contents coverage section if no contents insurance is requested. (This will make the applicant aware that the policy will not provide payment for contents losses.)

#### **1. Building**

Enter the amount of insurance for building, Basic and Additional Limits. Enter full Basic Limits before entering any Additional Limits. The building Basic Limit amount of insurance for high-rise condominium buildings is up to a maximum of \$150,000.

The building Basic Limit amount of insurance for low-rise condominium buildings is \$50,000 multiplied by the number of units in the building. The total amount of coverage desired on the entire building must not exceed \$250,000 (Regular Program limit) times the total number of units (residential and nonresidential) in the building.

#### **2. Contents**

Since the Program type must be Regular, enter the amount of insurance for contents, Basic and Additional Limits. Enter full Basic

Limits before any Additional Limits. Contents coverage is only for those contents items that are commonly owned. For the Basic Limits amount of insurance, up to a maximum of \$20,000 may be filled in. For the Additional Limits, up to a total of \$80,000 may be filled in. The total amount of insurance available for contents coverage cannot exceed \$100,000.

### **D. Rates and Fees**

1. To determine rates, see the RCBAP Rate Tables on the following pages. Enter the rate for building and for contents and compute the annual premium. If an optional deductible has been selected for building and/or contents, see page CONDO 22.
2. Enter the total premium for building and contents, adjusted for any premium change because of an optional deductible being selected. The total premium will be calculated as if the building were one unit.
3. Add the total premium for building and contents and enter the Annual Subtotal.
4. Add the ICC premium.
5. Calculate the CRS discount, if applicable.
6. Subtract the CRS discount, if applicable.
7. Add the \$50.00 Probation Surcharge, if applicable.
8. Add the Federal Policy Fee to determine the Total Prepaid Amount.

**TABLE 3A. RCBAP HIGH-RISE CONDOMINIUM RATES**  
**ANNUAL RATES PER \$100 OF COVERAGE**  
**(Basic/Additional)**

**BUILDING**

BUILDING TYPE	REGULAR PROGRAM PRE-FIRM <sup>1</sup>			REGULAR PROGRAM POST-FIRM	
	A, A1-A30, AE, AO, AH, D	V, VE	A99, B, C, X	A99, B, C, X	D
No Basement/Enclosure	.85/.15	1.08/.38	1.05/.04	1.05/.04	1.05/.19
With Basement	.90/.23	1.15/.82	1.27/.06	1.27/.06	SUBMIT FOR RATE
With Enclosure	.90/.15	1.15/.40	1.10/.04	1.10/.04	

**CONTENTS**

CONTENTS LOCATION	REGULAR PROGRAM PRE-FIRM <sup>1</sup>			REGULAR PROGRAM POST-FIRM	
	A, A1-A30, AE, AO, AH, D	V, VE	A99, B, C, X	A99, B, C, X	D
Basement and above	.96/.60	1.23/1.52	1.26/.46	1.26/.46	SUBMIT FOR RATE
Enclosure and above	.96/.72	1.23/1.81	1.26/.53	1.26/.53	
Lowest floor only- above ground level	.96/.72	1.23/1.81	.99/.48	.99/.48	.92/.57
Lowest floor above ground level and higher floors	.96/.49	1.23/1.59	.99/.30	.99/.30	.92/.39
Above ground level more than 1 full floor	.35/.12	.47/.29	.35/.12	.35/.12	.35/.12

**BUILDING—A1-A30, AE · POST-FIRM**

ELEVATION	3 OR MORE FLOORS NO BASEMENT/ENCLOSURE		3 OR MORE FLOORS WITH BASEMENT/ENCLOSURE	
	+4	.33/.03		.33/.03
+3	.34/.03		.34/.03	
+2	.35/.03		.35/.03	
+1	.62/.04		.44/.04	
0	1.43/.04		1.28/.04	
-1 <sup>2</sup>	4.51/.14		2.54/.11	
-2	SUBMIT FOR RATE			

**CONTENTS—A1-A30, AE · POST-FIRM**

ELEVATION	LOWEST FLOOR ONLY- ABOVE GROUND LEVEL (NO BSMNT./ENCL.)	LOWEST FLOOR ABOVE GROUND LEVEL AND HIGHER (NO BSMNT./ENCL.)	BASEMENT/ENCLOSURE AND ABOVE	ABOVE GROUND LEVEL - MORE THAN ONE FULL FLOOR
	+4	.38/.12	.38/.12	.38/.12
+3	.38/.12	.38/.12	.38/.12	.35/.12
+2	.38/.12	.38/.12	.38/.12	.35/.12
+1	.50/.12	.38/.12	.38/.12	.35/.12
0	1.10/.12	.65/.12	.40/.12	.35/.12
-1 <sup>2</sup>	3.07/.75	1.78/.58	.48/.12	.35/.12
-2	SUBMIT FOR RATE			

<sup>1</sup>Start of construction or substantial improvement on or before 12/31/74, or before the effective date of the initial Flood Insurance Rate Map (FIRM). If FIRM Zone is unknown, use rates for Zones A, AE, AO, AH, D.

<sup>2</sup>Use Submit-for-Rate guidelines if either the enclosure below the lowest elevated floor of an elevated building or the crawl space (under-floor space) that has its interior floor within 2 feet below grade on all sides, which is used for rating, is 1 or more feet below BFE.



**TABLE 3B. RCBAP HIGH-RISE CONDOMINIUM RATES  
ANNUAL RATES PER \$100 OF COVERAGE  
(Basic/Additional)**

**AO, AH POST-FIRM NO BASEMENT/ENCLOSURE BUILDINGS<sup>1</sup>**

	<b>BUILDING</b>	<b>CONTENTS</b>
WITH CERTIFICATION OF COMPLIANCE <sup>2</sup>	.34/.04	.34/.11
WITHOUT CERTIFICATION OF COMPLIANCE OR WITHOUT ELEVATION CERTIFICATE <sup>3</sup>	.94/.06	.97/.20

**POST-FIRM  
UNNUMBERED A-ZONE - WITHOUT BASEMENT/ENCLOSURE<sup>1</sup>**

<b>ELEVATION DIFFERENCE TO NEAREST FOOT</b>	<b>BUILDING</b>	<b>CONTENTS<sup>4</sup></b>	<b>TYPE OF ELEVATION CERTIFICATE</b>
+5 OR MORE	.70/.05	.62/.12	NO ESTIMATED BASE FLOOD ELEVATION <sup>5</sup>
+2 TO +4	1.22/.05	.87/.17	
+1	1.91/.12	1.54/.63	
0 OR BELOW	***	***	
+2 OR MORE	.61/.04	.50/.12	WITH ESTIMATED BASE FLOOD ELEVATION <sup>6</sup>
0 TO +1	1.07/.05	.79/.15	
-1	4.29/.14	2.29/.67	
-2 OR BELOW	***	***	
NO ELEVATION CERTIFICATE	5.57/1.06	2.87/1.00	NO ELEVATION CERTIFICATE

<sup>1</sup>Zones A, AO, or AH buildings with basement/enclosure--Submit for Rating.

<sup>2</sup>"With Certification of Compliance" rates are to be used when the Elevation Certificate shows that the lowest floor elevation is equal to or greater than the community's elevation requirement.

<sup>3</sup>"Without Certification of Compliance" rates are to be used only on Post-FIRM structures without an Elevation Certificate or when the Elevation Certificate shows that the lowest floor elevation of a Post-FIRM structure is less than the community's elevation requirement.

<sup>4</sup>For elevation rated policies, when contents are located one floor or more above lowest floor used for rating, use .35/.12.

<sup>5</sup>NO ESTIMATED BASE FLOOD ELEVATION: Elevation difference is the measured distance between the lowest floor of the building and the highest adjacent grade next to the building.

<sup>6</sup>WITH ESTIMATED BASE FLOOD ELEVATION: Elevation difference is the measured distance between the lowest floor of the building and the estimated BFE provided by the community or registered professional engineer, surveyor, or architect.

**\*\*\*SUBMIT FOR RATING.**

**TABLE 3C. RCBAP HIGH-RISE CONDOMINIUM RATES**  
**ANNUAL RATES PER \$100 OF COVERAGE**  
**(Basic/Additional)**

**AR AND AR DUAL ZONES**

**BUILDING**

**PRE-FIRM<sup>1,2</sup> AND POST-FIRM<sup>3</sup> NOT ELEVATION-RATED**

BUILDING TYPE	RATES
No Basement/Enclosure	1.05/.04
With Basement	1.27/.06
With Enclosure	1.10/.04

**CONTENTS**

**PRE-FIRM<sup>1,2</sup> AND POST-FIRM<sup>3</sup> NOT ELEVATION-RATED**

CONTENTS LOCATION	RATES
Basement and above	1.26/.46
Enclosure and above	1.26/.53
Lowest floor only- above ground level	.99/.48
Lowest floor above ground level and higher floors	.99/.25
Above ground level more than 1 full floor	.35/.12

**BUILDING**

**PRE-FIRM AND POST-FIRM ELEVATION-RATED**

ELEVATION	3 OR MORE FLOORS NO BASEMENT/ENCLOSURE	3 OR MORE FLOORS WITH BASEMENT/ENCLOSURE
+4	.33/.03	.33/.03
+3	.34/.03	.34/.03
+2	.35/.03	.35/.03
+1	.62/.04	.44/.04
0	1.05/.04	1.27/.04
-1 <sup>4</sup>	See Footnote	

**CONTENTS**

**PRE-FIRM AND POST-FIRM ELEVATION-RATED**

ELEVATION	LOWEST FLOOR ONLY- ABOVE GROUND LEVEL (NO BSMNT./ENCL.)	LOWEST FLOOR ABOVE GROUND LEVEL AND HIGHER (NO BSMNT./ENCL.)	BASEMENT/ ENCLOSURE AND ABOVE	ABOVE GROUND LEVEL - MORE THAN ONE FULL FLOOR
+4	.38/.12	.38/.12	.38/.12	.35/.12
+3	.38/.12	.38/.12	.38/.12	.35/.12
+2	.38/.12	.38/.12	.38/.12	.35/.12
+1	.50/.12	.38/.12	.38/.12	.35/.12
0	1.10/.12	.65/.12	.40/.12	.35/.12
-1 <sup>4</sup>	See Footnote			

<sup>1</sup>Start of construction or substantial improvement on or before 12/31/74, or before the effective date of the initial Flood Insurance Rate Map (FIRM).

<sup>2</sup>Base deductible is \$1,000.

<sup>3</sup>Base deductible is \$500.

<sup>4</sup>Use Pre-FIRM AR and AR Dual Zones Rate Table above.

**TABLE 3D. RCBAP HIGH-RISE CONDOMINIUM RATES  
ANNUAL RATES PER \$100 OF COVERAGE  
(Basic/Additional)**

**REGULAR PROGRAM -- 1975-1981<sup>1</sup> -- POST-FIRM CONSTRUCTION<sup>2</sup>**

**FIRM ZONES V1-V30, VE -- BUILDING RATES**

ELEVATION OF LOWEST FLOOR ABOVE OR BELOW BFE	BUILDING TYPE	
	3 OR MORE FLOORS NO BASEMENT/ENCLOSURE	3 OR MORE FLOORS WITH BASEMENT/ENCLOSURE
0 <sup>3</sup>	2.23/.12	2.13/.12
-1 <sup>4</sup>	6.54/.46	3.42/.35
-2	***	***

**1975-1981 POST-FIRM CONSTRUCTION  
FIRM ZONES V1-V30, VE--CONTENTS RATES**

ELEVATION OF LOWEST FLOOR ABOVE OR BELOW BFE	CONTENTS LOCATION			
	LOWEST FLOOR ONLY--ABOVE GROUND LEVEL (NO BASEMENT/ENCLOSURE)	LOWEST FLOOR ABOVE GROUND LEVEL AND HIGHER FLOORS (NO BASEMENT/ENCLOSURE)	BASEMENT/ENCLOSURE AND ABOVE	ABOVE GROUND LEVEL--MORE THAN ONE FULL FLOOR
0 <sup>3</sup>	3.31/.46	2.16/.51	1.22/.56	.55/.25
-1 <sup>4</sup>	7.28/3.53	4.30/2.73	1.43/.56	.55/.25
-2	***	***	***	***

<sup>1</sup>Policies for 1975 through 1981 Post-FIRM and Pre-FIRM buildings in Zones VE and V1-V30 will be allowed to use the Post-'81 V Zone rate table if the rates are more favorable to the insured. See instructions on page RATE 23 for V Zone Optional Rating.

<sup>2</sup>For 1981 Post-FIRM construction rating, refer to pages CONDO 19-20.

<sup>3</sup>These rates are to be used if the lowest floor of the building is at or above the BFE.

<sup>4</sup>Use Submit-for-Rate guidelines if the enclosure below the lowest floor of an elevated building, which is used for rating, is 1 or more feet below BFE.

\*\*\*SUBMIT FOR RATING.

**REGULAR PROGRAM 1975-1981 POST-FIRM CONSTRUCTION<sup>1</sup>  
UNNUMBERED V ZONE--ELEVATED BUILDINGS**

<b>SUBMIT FOR RATING</b>
--------------------------

**TABLE 4A. RCBAP LOW-RISE CONDOMINIUM RATES  
(Including Townhouse/Rowhouse)  
ANNUAL RATES PER \$100 OF COVERAGE  
(Basic/Additional)**

**REGULAR PROGRAM -- PRE-FIRM CONSTRUCTION RATES <sup>1</sup>**

FIRM ZONES:		A, A1-A30, AE, AO, AH, D		V, VE		A99, B, C, X	
		BUILDING	CONTENTS	BUILDING	CONTENTS	BUILDING	CONTENTS
BUILDING TYPE	NO BASEMENT/ENCLOSURE	.70/.38	.96/.72	.93/.98	1.23/1.81	.61/.17	.99/.30
	WITH BASEMENT	.75/.48	.96/.60	1.00/1.70	1.23/1.69	.66/.24	1.12/.38
	WITH ENCLOSURE	.75/.55	.96/.62	1.00/1.85	1.23/1.84	.66/.28	1.12/.44

**REGULAR PROGRAM -- POST-FIRM CONSTRUCTION RATES**

FIRM ZONES:		A99, B, C, X		D	
		BUILDING	CONTENTS	BUILDING	CONTENTS
BUILDING TYPE	NO BASEMENT/ENCLOSURE	.61/.17	.99/.30	.85/.32	.92/.57
	WITH BASEMENT	.66/.24	1.12/.38	***	***
	WITH ENCLOSURE	.66/.28	1.12/.44		
FIRM ZONES:		AO, AH (NO BASEMENT/ENCLOSURE BUILDINGS ONLY) <sup>2</sup>			
		BUILDING		CONTENTS	
WITH CERTIFICATION OF COMPLIANCE <sup>3</sup>		.19/.06		.34/.11	
WITHOUT CERTIFICATION OF COMPLIANCE OR WITHOUT ELEVATION CERTIFICATE <sup>4</sup>		.71/.17		.97/.20	

<sup>1</sup>Start of construction or substantial improvement on or before 12/31/74, or before the effective date of the initial Flood Insurance Rate Map (FIRM). If FIRM Zone is unknown, use rates for Zones A, AE, AO, AH, D.

<sup>2</sup>Zones AO, AH BUILDINGS WITH BASEMENT: Submit for Rating.

<sup>3</sup>"With Certification of Compliance" rates are to be used when the Elevation Certificate shows that the lowest floor elevation is equal to or greater than the community's elevation requirement.

<sup>4</sup>"Without Certification of Compliance" rates are to be used only on Post-FIRM structures without an Elevation Certificate or when the Elevation Certificate shows that the lowest floor elevation of a Post-FIRM structure is less than the community's elevation requirement.

\*\*\*SUBMIT FOR RATING.

**TABLE 4B. RCBAP LOW-RISE CONDOMINIUM RATES  
(Including Townhouse/Rowhouse)  
ANNUAL RATES PER \$100 OF COVERAGE  
(Basic/Additional)**

**REGULAR PROGRAM -- POST-FIRM CONSTRUCTION**

**FIRM ZONES A1-A30, AE -- BUILDING RATES**

ELEVATION OF LOWEST FLOOR ABOVE OR BELOW BFE <sup>1</sup>	BUILDING TYPE		
	ONE FLOOR NO BASEMENT/ENCLOSURE	MORE THAN ONE FLOOR NO BASEMENT/ENCLOSURE	MORE THAN ONE FLOOR WITH BASEMENT/ENCLOSURE
+4	.18/.08	.18/.08	.18/.08
+3	.18/.08	.18/.08	.18/.08
+2	.24/.08	.18/.08	.18/.08
+1	.43/.08	.25/.08	.19/.08
0	.89/.08	.58/.08	.45/.08
-1 <sup>2</sup>	2.27/.76	1.91/.70	1.08/.47
-2	***	***	***

**FIRM ZONES A1-A30, AE -- CONTENTS RATES**

ELEVATION OF LOWEST FLOOR ABOVE OR BELOW BFE <sup>1</sup>	CONTENTS LOCATION			
	LOWEST FLOOR ONLY - ABOVE GROUND LEVEL (NO BASEMENT/ENCLOSURE)	LOWEST FLOOR ABOVE GROUND LEVEL AND HIGHER FLOORS (NO BASEMENT/ENCLOSURE)	BASEMENT/ENCLOSURE AND ABOVE	ABOVE GROUND LEVEL- MORE THAN ONE FULL FLOOR
+4	.38/.12	.38/.12	.38/.12	.35/.12
+3	.38/.12	.38/.12	.38/.12	.35/.12
+2	.38/.12	.38/.12	.38/.12	.35/.12
+1	.50/.12	.38/.12	.38/.12	.35/.12
0	1.10/.12	.65/.12	.40/.12	.35/.12
-1 <sup>2</sup>	3.07/.75	1.78/.58	.48/.12	.35/.12
-2	***	***	***	.35/.12

<sup>1</sup>If LF is -1 because of attached garage, submit application for special consideration; rate may be lower.

<sup>2</sup>Use Submit-for-Rate guidelines if the enclosure below the lowest floor of an elevated building or if the crawl space (under-floor space) that has its interior floor within 2 feet below grade on all sides, which is used for rating, is 1 or more feet below BFE.

\*\*\*SUBMIT FOR RATING.

**TABLE 4C. RCBAP LOW-RISE CONDOMINIUM RATES  
(Including Townhouse/Rowhouse)  
ANNUAL RATES PER \$100 OF COVERAGE  
(Basic/Additional)**

**UNNUMBERED ZONE A - WITHOUT BASEMENT/ENCLOSURE<sup>1</sup>**

ELEVATION DIFFERENCE TO NEAREST FOOT	BUILDING	CONTENTS <sup>2</sup>	TYPE OF ELEVATION CERTIFICATE
+5 OR MORE	.30/.10	.62/.12	NO ESTIMATED BASE FLOOD ELEVATION <sup>3</sup>
+2 TO +4	.80/.12	.86/.17	
+1	1.54/.59	1.54/.63	
0 OR BELOW	***	***	
+2 OR MORE	.24/.08	.50/.12	WITH ESTIMATED BASE FLOOD ELEVATION <sup>4</sup>
0 TO +1	.58/.10	.79/.15	
-1	2.10/.74	1.93/.74	
-2 OR BELOW	***	***	
NO ELEVATION CERTIFICATE <sup>5</sup>	2.66/1.27	2.79/1.00	NO ELEVATION CERTIFICATE

<sup>1</sup>Zone A building with basement (including crawl space below grade on all sides) or enclosure--Submit for Rating.

<sup>2</sup>For elevation rated policies, when contents are located one floor or more above lowest floor used for rating, use .35/.12.

<sup>3</sup>NO ESTIMATED BASE FLOOD ELEVATION: Elevation difference is the measured distance between the lowest floor of the building and the highest adjacent grade next to the building.

<sup>4</sup>WITH ESTIMATED BASE FLOOD ELEVATION: Elevation difference is the measured distance between the lowest floor of the building and the estimated BFE provided by the community or registered professional engineer, surveyor, or architect.

<sup>5</sup>For building without basement or enclosure, Elevation Certificate is optional.

\*\*\***SUBMIT FOR RATING.**

**TABLE 4D. RCBAP LOW-RISE CONDOMINIUM RATES  
(Including Townhouse/Rowhouse)  
ANNUAL RATES PER \$100 OF COVERAGE  
(Basic/Additional)**

**AR AND AR DUAL ZONES**

**REGULAR PROGRAM – PRE-FIRM<sup>1,2</sup> AND  
POST-FIRM<sup>3</sup> NOT ELEVATION-RATED RATES**

BUILDING TYPE	BUILDING	CONTENTS
NO BASEMENT	.61/.17	.99/.30
WITH BASEMENT	.66/.24	1.12/.38
WITH ENCLOSURE	.66/.28	1.12/.44

**REGULAR PROGRAM — PRE-FIRM AND POST-FIRM ELEVATION-RATED RATES**

**BUILDING RATES**

ELEVATION OF LOWEST FLOOR ABOVE OR BELOW BFE	BUILDING TYPE		
	ONE FLOOR NO BASEMENT/ENCLOSURE	MORE THAN ONE FLOOR NO BASEMENT/ENCLOSURE	MORE THAN ONE FLOOR WITH BASEMENT/ENCLOSURE
+4	.18/.08	.18/.08	.18/.08
+3	.18/.08	.18/.08	.18/.08
+2	.24/.08	.19/.08	.18/.08
+1	.43/.08	.25/.08	.19/.08
0	.61/.17	.58/.08	.45/.08
-1 <sup>4</sup>	See Footnote		

**CONTENTS RATES**

ELEVATION OF LOWEST FLOOR ABOVE OR BELOW BFE	CONTENTS LOCATION			
	LOWEST FLOOR ONLY - ABOVE GROUND LEVEL (NO BASEMENT/ENCLOSURE)	LOWEST FLOOR ABOVE GROUND LEVEL AND HIGHER FLOORS (NO BASEMENT/ENCLOSURE)	BASEMENT/ENCLOSURE AND ABOVE	ABOVE GROUND LEVEL - MORE THAN ONE FULL FLOOR
+4	.38/.12	.38/.12	.38/.12	.35/.12
+3	.38/.12	.38/.12	.38/.12	.35/.12
+2	.38/.12	.38/.12	.38/.12	.35/.12
+1	.50/.12	.38/.12	.38/.12	.35/.12
0	1.10/.12	.65/.12	.40/.12	.35/.12
-1 <sup>4</sup>	See Footnote			

<sup>1</sup>Start of construction or substantial improvement on or before 12/31/74, or before the effective date of the initial Flood Insurance Rate Map (FIRM).

<sup>2</sup>Base deductible is \$1,000.

<sup>3</sup>Base deductible is \$500.

<sup>4</sup>Use Pre-FIRM AR and AR Dual Zones Rate Table above.

**TABLE 4E. RCBAP LOW-RISE CONDOMINIUM RATES  
(Including Townhouse/Rowhouse)  
ANNUAL RATES PER \$100 OF COVERAGE  
(Basic/Additional)**

**REGULAR PROGRAM -- 1975-1981<sup>1</sup> -- POST-FIRM CONSTRUCTION<sup>2</sup>  
FIRM ZONES V1-V30, VE -- BUILDING RATES**

ELEVATION OF LOWEST FLOOR ABOVE OR BELOW BFE	BUILDING TYPE		
	ONE FLOOR NO BASEMENT/ENCLOSURE	MORE THAN ONE FLOOR NO BASEMENT/ENCLOSURE	MORE THAN ONE FLOOR WITH BASEMENT/ENCLOSURE
0 <sup>3</sup>	2.01/.37	1.61/.37	1.39/.37
-1 <sup>4</sup>	4.39/2.29	4.02/2.29	2.86/2.07
-2	***	***	***

**REGULAR PROGRAM -- 1975-1981<sup>1</sup> -- POST-FIRM CONSTRUCTION<sup>2</sup>  
FIRM ZONES V1-V30, VE -- CONTENTS RATES**

ELEVATION OF LOWEST FLOOR ABOVE OR BELOW BFE	CONTENTS LOCATION			
	LOWEST FLOOR ONLY - ABOVE GROUND LEVEL (NO BASEMENT/ENCLOSURE)	LOWEST FLOOR ABOVE GROUND LEVEL AND HIGHER FLOORS (NO BASEMENT/ENCLOSURE)	BASEMENT/ENCLOSURE AND ABOVE	ABOVE GROUND LEVEL - MORE THAN ONE FULL FLOOR
0 <sup>3</sup>	3.31/.46	2.16/.51	1.22/.56	.55/.25
-1 <sup>4</sup>	7.28/3.53	4.30/2.73	1.43/.56	.55/.25
-2	***	***	***	.55/.25

**REGULAR PROGRAM -- 1975-1981 -- POST-FIRM CONSTRUCTION<sup>2</sup>  
UNNUMBERED V ZONE -- ELEVATED BUILDINGS**

**SUBMIT FOR RATING**

<sup>1</sup>Policies for 1975 through 1981 Post-FIRM and Pre-FIRM buildings in Zones VE and V1-V30 will be allowed to use the Post- '81 V Zone rate table if the rates are more favorable to the insured. See instructions on page RATE 23 for V Zone Optional Rating.

<sup>2</sup>For 1981 Post-FIRM construction rating, refer to pages CONDO 19 and 20.

<sup>3</sup>These rates are to be used if the lowest floor of the building is at or above the BFE.

<sup>4</sup>Use Submit-for-Rate guidelines if the enclosure below the lowest floor of an elevated building, which is used for rating, is 1 or more feet below BFE.

\*\*\*SUBMIT FOR RATING.



**TABLE 5A. RCBAP HIGH-RISE AND LOW-RISE CONDOMINIUM RATES  
(Including Townhouse/Rowhouse)  
ANNUAL RATES PER \$100 OF COVERAGE**

**1981 POST-FIRM V1-V30, VE ZONE RATES<sup>1</sup>**

**Elevated Buildings Free of Obstruction<sup>2</sup> Below the  
Beam Supporting the Building's Lowest Floor**

<b>Elevation of the bottom of the floor beam of the lowest floor above or below Base Flood Elevation adjusted for wave height at building site<sup>3</sup></b>	<b>Building Rate</b>	<b>Contents Rate</b>
+4 or more	.50	.41
+3	.61	.42
+2	.80	.57
+1	1.16	.92
0	1.49	1.37
- 1	1.97	1.90
- 2	2.59	2.59
- 3	3.34	3.51
- 4 or lower	***	***

Rates above are only for elevated buildings. **Use *Specific Rating Guidelines* for non-elevated buildings.**

<sup>1</sup>Policies for 1975 through 1981 Post-FIRM and Pre-FIRM buildings in Zones VE and V1-V30 will be allowed to use the Post-'81 V Zone rate table if the rates are more favorable to the insured. See instructions on page RATE 23 for V Zone Optional Rating.

<sup>2</sup>Free of Obstruction—The space below the lowest elevated floor must be completely free of obstructions or any attachment to the building, or may have:  
 (1) Insect screening, provided that no additional supports are required for the screening; or  
 (2) Wooden or plastic lattice with at least 40 percent of its area open and made of material no thicker than ½ inch; or  
 (3) Wooden or plastic slats or shutters with at least 40 percent of their area open and made of material no thicker than 1 inch.

Any of these systems must be designed and installed to collapse under stress without jeopardizing the structural support of the building, so that the impact on the building of abnormally high tides or wind-driven water is minimized. Any machinery or equipment below the lowest elevated floor must be at or above the BFE.

<sup>3</sup>Wave height adjustment is not required in those cases where the Flood Insurance Rate Map indicates that the map includes wave height.

**\*\*\*SUBMIT FOR RATING.** Include a copy of the variance, a recent photograph and blueprints (including a site grading plan if ocean front) with the Application, and a post-construction (or pre-construction if builder's risk) Elevation Certificate. Do **not** submit any premium with the application. No applicant for insurance on Post-FIRM construction or substantial improvement for which asterisks are shown (there is no risk premium rate) in the *Flood Insurance Manual* can obtain flood coverage until FEMA has approved the Application and established the risk premium for the building.

**TABLE 5B. RCBAP HIGH-RISE AND LOW-RISE CONDOMINIUM RATES  
(Including Townhouse/Rowhouse)  
ANNUAL RATES PER \$100 OF COVERAGE**

**1981 POST-FIRM V1-V30, VE ZONE RATES<sup>1,2</sup>**

**Elevated Buildings With Obstruction<sup>3</sup> Below the  
Beam Supporting the Building's Lowest Floor**

Elevation of the bottom of the floor beam of the lowest floor above or below Base Flood Elevation adjusted for wave height at building site <sup>4</sup>	Building Rate	Contents Rate
+4 or more	.91	.52
+3	1.01	.53
+2	1.20	.67
+1	1.52	1.02
0	1.85	1.47
-1 <sup>5</sup>	2.29	2.00
-2 <sup>5</sup>	2.91	2.68
-3 <sup>5</sup>	3.66	3.60
-4 or lower <sup>5</sup>	***	***

<sup>1</sup>Policies for 1975 through 1981 Post-FIRM and Pre-FIRM buildings in Zones VE and V1-V30 will be allowed to use the Post-'81 V Zone rate table if the rates are more favorable to the insured. See instructions on page RATE 23 for V Zone Optional Rating.

<sup>2</sup>Rates provided are only for elevated buildings, except those elevated on solid perimeter foundation walls. For buildings elevated on solid perimeter foundation walls, and for non-elevated buildings, use the *Specific Rating Guidelines* document.

<sup>3</sup>With Obstruction—The space below has an area of less than 300 square feet with breakaway solid walls or contains equipment below the BFE. If the space below has an area of 300 square feet or more, or if any portion of the space below the elevated floor is enclosed with non-breakaway walls, submit for rating. If the enclosure is at or above the BFE, use the "Free of Obstruction" rate table on the preceding page. The elevation of the bottom enclosure floor is the lowest floor for rating (LFE).

<sup>4</sup>Wave height adjustment is not required in those cases where the Flood Insurance Rate Map indicates that the map includes wave height.

<sup>5</sup>For buildings with obstruction, use Submit-for-Rate guidelines if the enclosure below the lowest elevated floor of an elevated building, which is used for rating, is 1 or more feet below BFE.

\*\*\***SUBMIT FOR RATING.** Include a copy of the variance, a recent photograph and blueprints (including a site grading plan if ocean front) with the Application, and a post-construction (or pre-construction if builder's risk) Elevation Certificate. Do **not** submit any premium with the application. No applicant for insurance on Post-FIRM construction or substantial improvement for which asterisks are shown (there is no risk premium rate) in the *Flood Insurance Manual* can obtain flood coverage until FEMA has approved the Application and established the risk premium for the building.

**TABLE 5C. RCBAP HIGH-RISE AND LOW-RISE BUILDING RATES  
(Including Townhouse/Rowhouse)  
ANNUAL RATES PER \$100 OF COVERAGE**

**1981 POST-FIRM V ZONE RATES**

<b>SUBMIT FOR RATING</b>
--------------------------

**TABLE 6. RCBAP HIGH-RISE AND LOW-RISE CONDOMINIUM RATES  
(Including Townhouse/Rowhouse)  
INCREASED COST OF COMPLIANCE (ICC) COVERAGE**

**All Except Submit for Rate Policies<sup>1</sup>**

**Premiums for \$30,000 ICC Coverage**

FIRM <sup>2</sup>	ZONE	PREMIUM
Post-FIRM	A, AE, A1-A30, AO, AH	\$ 6
	AR, AR DUAL ZONES	\$ 6
	Post-'81 V1-V30, VE	\$20
	'75-'81 V1-V30, VE	\$35
	A99, B, C, X, D	\$ 6
Pre-FIRM	A, AE, A1-A30, AO, AH	\$75
	AR, AR DUAL ZONES	\$ 6
	V, VE, V1-V30	\$75
	A99, B, C, X, D	\$ 6

<sup>1</sup>Use the ICC premium table contained in the *Specific Rating Guidelines*.

<sup>2</sup>Elevation-rated Pre-FIRM buildings should use Post-FIRM ICC premiums.

**TABLE 7. RCBAP DEDUCTIBLE FACTORS – ALL ZONES**

**Category One – Low-Rise Condominium Building-and-Contents Policies**

DEDUCTIBLE OPTIONS	DEDUCTIBLE FACTOR					
	Single Family		2-4 Units		5 or More Units	
	\$500 Ded.	\$1,000 Ded.	\$500 Ded.	\$1,000 Ded.	\$500 Ded.	\$1,000 Ded.
Building/Contents						
\$500/ \$500	1.000	1.125	1.000	1.025	1.000	1.015
\$1,000/\$1,000	.950	1.000	.965	1.000	.980	1.000
\$2,000/\$1,000	.900	.950	.930	.965	.960	.980
\$3,000/\$1,000	.850	.900	.900	.935	.940	.960
\$4,000/\$2,000	.800	.825	.850	.885	.910	.930
\$5,000/\$2,000	.760	.775	.810	.845	.890	.920
\$10,000/\$10,000	.625	.635	.650	.660	.825	.840
\$25,000/\$25,000	.525	.535	.550	.560	.725	.740

**Category Two – Low-Rise Condominium Building-Only Policies**

DEDUCTIBLE OPTIONS	DEDUCTIBLE FACTOR					
	Single Family		2-4 Units		5 or More Units	
	\$500 Ded.	\$1,000 Ded.	\$500 Ded.	\$1,000 Ded.	\$500 Ded.	\$1,000 Ded.
\$500	1.000	1.125	1.000	1.025	1.000	1.015
\$1,000	.950	1.000	.965	1.000	.980	1.000
\$2,000	.885	.925	.925	.950	.950	.970
\$3,000	.825	.865	.875	.910	.920	.940
\$4,000	.775	.825	.825	.870	.900	.920
\$5,000	.725	.765	.800	.835	.880	.900
\$10,000	.620	.630	.640	.650	.815	.830
\$25,000	.520	.530	.540	.550	.715	.730

**Category Three – High-Rise Condominium Policies,  
Building-and-Contents and Building-Only**

The deductible factors are multipliers,  
and total deductible amounts are subject to a maximum dollar discount per annual premium.

**BUILDING/CONTENTS**

DEDUCTIBLE OPTIONS	DEDUCTIBLE FACTOR		MAXIMUM DISCOUNT
	\$500 Deductible	\$1,000 Deductible	
\$500/ \$500	1.000	1.050	N/A
\$1,000/\$1,000	.980	1.000	\$ 56
\$2,000/\$2,000	.960	.980	\$ 111
\$3,000/\$3,000	.940	.960	\$ 166
\$4,000/\$4,000	.910	.930	\$ 221
\$5,000/\$5,000	.890	.920	\$ 276
\$10,000/\$10,000	.825	.840	\$ 501
\$25,000/\$25,000	.725	.740	\$1,001

**BUILDING-ONLY**

DEDUCTIBLE OPTIONS	DEDUCTIBLE FACTOR		MAXIMUM DISCOUNT
	\$500 Deductible	\$1,000 Deductible	
\$500	1.000	1.100	N/A
\$1,000	.980	1.000	\$ 55
\$2,000	.950	.970	\$ 110
\$3,000	.920	.940	\$ 165
\$4,000	.900	.920	\$ 220
\$5,000	.880	.900	\$ 275
\$10,000	.815	.830	\$ 500
\$25,000	.715	.730	\$1,000

## X. CONDOMINIUM RATING EXAMPLES

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## CONDOMINIUM RATING EXAMPLE 1

### PRE-FIRM, LOW-RISE, WITH ENCLOSURE, COINSURANCE PENALTY, ZONE A

#### Regular Program

- Building Coverage: \$140,000
- Contents Coverage: \$100,000
- Condominium Type: Low-rise
- Flood Zone: A
- Occupancy: Other Residential
- # of Units: 6
- Date of Construction: Pre-FIRM
- Building Type: 3 Floors Including Enclosure
- Deductible: \$2,000/\$1,000
- Deductible Factor: .980
- Replacement Cost: \$600,000
- Elevation Difference: N/A
- 80% Coinsurance Amount: \$480,000
- ICC Premium: \$75 (\$30,000 Coverage)
- CRS Rating: N/A
- CRS Discount: N/A

#### **Determined Rates:**

Building: .75/.55                      Contents: .96/.62

COVERAGE	BASIC LIMITS			ADDITIONAL LIMITS (REGULAR PROGRAM ONLY)			DEDUCTIBLE	BASIC AND ADDITIONAL	TOTAL PREMIUM	
	AMOUNT OF INSURANCE	RATE	ANNUAL PREMIUM	AMOUNT OF INSURANCE	RATE	ANNUAL PREMIUM	PREM. REDUCTION/ INCREASE	TOTAL AMOUNT OF INSURANCE		
BUILDING	<b>140,000</b>	<b>.75</b>	<b>1,050</b>	<b>0</b>	<b>.55</b>	<b>0</b>	<b>-21</b>	<b>140,000</b>	<b>1,029</b>	
CONTENTS	<b>20,000</b>	<b>.96</b>	<b>192</b>	<b>80,000</b>	<b>.62</b>	<b>496</b>	<b>-14</b>	<b>100,000</b>	<b>674</b>	
RATE TYPE: (ONE BUILDING PER POLICY—BLANKET COVERAGE NOT PERMITTED)							ANNUAL SUBTOTAL		<b>1,703</b>	
<input type="checkbox"/> MANUAL <input type="checkbox"/> SUBMIT FOR RATING <input type="checkbox"/> ALTERNATIVE <input type="checkbox"/> V-ZONE RISK RATING FORM <input type="checkbox"/> MORTGAGE PORTFOLIO PROTECTION PROGRAM <input type="checkbox"/> PROVISIONAL RATING							PAYMENT OPTION:			
							<input type="checkbox"/> CREDIT CARD			
							<input type="checkbox"/> OTHER: _____			
THE ABOVE STATEMENTS ARE CORRECT TO THE BEST OF MY KNOWLEDGE. I UNDERSTAND THAT ANY FALSE STATEMENTS MAY BE PUNISHABLE BY FINE OR IMPRISONMENT UNDER APPLICABLE FEDERAL LAW.							ICC PREMIUM		<b>75</b>	
							SUBTOTAL		<b>1,778</b>	
							CRS PREMIUM DISCOUNT _____%		<b>—</b>	
							SUBTOTAL		<b>1,778</b>	
							PROBATION SURCHARGE		<b>—</b>	
							FEDERAL POLICY FEE		<b>150</b>	
SIGNATURE OF INSURANCE AGENT/BROKER _____							DATE(MM/DD/YY) _____		TOTAL PREPAID AMOUNT	<b>1,928</b>

#### **Premium Calculation:**

1. Multiply Rate x \$100 of Coverage: Building: \$1,050 / Contents: \$688
2. Apply Deductible Factor: Building: .980 x \$1,050 = \$1,029 / Contents: .980 x \$688 = \$674
3. Premium Reduction: Building: \$1,050 - \$1,029 = \$21 / Contents: \$688 - \$674 = \$14
4. Subtotal: \$1,703
5. Add ICC Premium: \$75
6. Subtract CRS Discount: N/A
7. Subtotal: \$1,778
8. Probation Surcharge: N/A
9. Add Federal Policy Fee: \$150
10. Total Prepaid Amount: \$1,928

#### **CLAIMS ADJUSTMENT WITH COINSURANCE PROVISION**

Claim Payment is determined as follows:

$$\frac{(\text{Insurance Carried})}{(\text{Insurance Required})} \times (\text{Amount of Loss}) - (\text{Limit of Recovery}) - \text{Less Deductible}$$

$$\frac{140,000}{480,000} \times 100,000 = 29,167 - \text{Less Deductible}$$

(Coinsurance Penalty applies because minimum insurance amount of \$480,000 was not met.)

## CONDOMINIUM RATING EXAMPLE 2

### PRE-FIRM, LOW-RISE, NO BASEMENT/ENCLOSURE, ZONE AE

**Regular Program**

- Building Coverage: \$480,000
- Contents Coverage: \$50,000
- Condominium Type: Low-rise
- Flood Zone: AE
- Occupancy: Other Residential
- # of Units: 6
- Date of Construction: Pre-FIRM
- Building Type: 1 Floor, No Basement
- Deductible: \$500/\$500
- Deductible Factor: 1.015
- Replacement Cost: \$600,000
- Elevation Difference: N/A
- 80% Coinsurance Amount: \$480,000
- ICC Premium: \$75 (\$30,000 Coverage)
- CRS Rating: N/A
- CRS Discount: N/A

**Determined Rates:**

Building: .70/.38                      Contents: .96/.72

COVERAGE	BASIC LIMITS			ADDITIONAL LIMITS (REGULAR PROGRAM ONLY)			DEDUCTIBLE	BASIC AND ADDITIONAL	TOTAL PREMIUM
	AMOUNT OF INSURANCE	RATE	ANNUAL PREMIUM	AMOUNT OF INSURANCE	RATE	ANNUAL PREMIUM	PREM. REDUCTION/ INCREASE	TOTAL AMOUNT OF INSURANCE	
BUILDING	<b>300,000</b>	<b>.70</b>	<b>2,100</b>	<b>180,000</b>	<b>.38</b>	<b>684</b>	<b>+42</b>	<b>480,000</b>	<b>2,826</b>
CONTENTS	<b>20,000</b>	<b>.96</b>	<b>192</b>	<b>30,000</b>	<b>.72</b>	<b>216</b>	<b>+6</b>	<b>50,000</b>	<b>414</b>
RATE TYPE: (ONE BUILDING PER POLICY—BLANKET COVERAGE NOT PERMITTED)						ANNUAL SUBTOTAL		<b>3,240</b>	
<input type="checkbox"/> MANUAL <input type="checkbox"/> SUBMIT FOR RATING <input type="checkbox"/> ALTERNATIVE <input type="checkbox"/> V-ZONE RISK RATING FORM <input type="checkbox"/> MORTGAGE PORTFOLIO PROTECTION PROGRAM <input type="checkbox"/> PROVISIONAL RATING						PAYMENT OPTION:		ICC PREMIUM	
						<input type="checkbox"/> CREDIT CARD		<b>75</b>	
						<input type="checkbox"/> OTHER: _____		SUBTOTAL	
								<b>3,315</b>	
						CRS PREMIUM DISCOUNT _____%		—	
						SUBTOTAL		<b>3,315</b>	
THE ABOVE STATEMENTS ARE CORRECT TO THE BEST OF MY KNOWLEDGE. I UNDERSTAND THAT ANY FALSE STATEMENTS MAY BE PUNISHABLE BY FINE OR IMPRISONMENT UNDER APPLICABLE FEDERAL LAW.						PROBATION SURCHARGE		—	
						FEDERAL POLICY FEE		<b>150</b>	
						TOTAL PREPAID AMOUNT		<b>3,465</b>	
SIGNATURE OF INSURANCE AGENT/BROKER						DATE (MM/DD/YY)			

**Premium Calculation:**

1. Multiply Rate x \$100 of Coverage: Building: \$2,784 / Contents: \$408
2. Apply Deductible Factor: Building: 1.015 x \$2,784 = \$2,826 / Contents: 1.015 x \$408 = \$414
3. Premium Increase: Building: \$2,826 - \$2,784 = \$42 / Contents: \$414 - \$408 = \$6
4. Subtotal: \$3,240
5. Add ICC Premium: \$75
6. Subtract CRS Discount: N/A
7. Subtotal: \$3,315
8. Probation Surcharge: N/A
9. Add Federal Policy Fee: \$150
10. Total Prepaid Amount: \$3,465

**CLAIMS ADJUSTMENT WITH COINSURANCE PROVISION**

Coinsurance Penalty does not apply since minimum insurance amount of 80% was met.

## CONDOMINIUM RATING EXAMPLE 3

### POST-FIRM, LOW-RISE, COINSURANCE PENALTY, ZONE AE

#### Regular Program

- Building Coverage: \$750,000
- Contents Coverage: \$100,000
- Condominium Type: Low-rise
- Flood Zone: AE
- Occupancy: Other Residential
- # of Units: 14
- Date of Construction: Post-FIRM
- Building Type: 2 Floors, No Basement/Enclosure
- Deductible: \$500/\$500
- Deductible Factor: 1.000
- Replacement Cost: \$1,120,000
- Elevation Difference: +1
- 80% Coinsurance Amount: \$896,000
- ICC Premium: \$6 (\$30,000 Coverage)
- CRS Rating: N/A
- CRS Discount: N/A

#### **Determined Rates:**

Building: .25/.08                      Contents: .38/.12

COVERAGE	BASIC LIMITS			ADDITIONAL LIMITS (REGULAR PROGRAM ONLY)			DEDUCTIBLE PREM. REDUCTION/ INCREASE	BASIC AND ADDITIONAL TOTAL AMOUNT OF INSURANCE	TOTAL PREMIUM	
	AMOUNT OF INSURANCE	RATE	ANNUAL PREMIUM	AMOUNT OF INSURANCE	RATE	ANNUAL PREMIUM				
BUILDING	<b>700,000</b>	<b>.25</b>	<b>1,750</b>	<b>50,000</b>	<b>.08</b>	<b>40</b>	<b>0</b>	<b>750,000</b>	<b>1,790</b>	
CONTENTS	<b>20,000</b>	<b>.38</b>	<b>76</b>	<b>80,000</b>	<b>.12</b>	<b>96</b>	<b>0</b>	<b>100,000</b>	<b>172</b>	
RATE TYPE: (ONE BUILDING PER POLICY—BLANKET COVERAGE NOT PERMITTED) <input type="checkbox"/> MANUAL <input type="checkbox"/> SUBMIT FOR RATING <input type="checkbox"/> ALTERNATIVE <input type="checkbox"/> V-ZONE RISK RATING FORM <input type="checkbox"/> MORTGAGE PORTFOLIO PROTECTION PROGRAM <input type="checkbox"/> PROVISIONAL RATING							PAYMENT OPTION:  <input type="checkbox"/> CREDIT CARD  <input type="checkbox"/> OTHER: _____		ANNUAL SUBTOTAL <b>1,962</b>	
							ICC PREMIUM <b>6</b>			
							SUBTOTAL <b>1,968</b>			
							CRS PREMIUM DISCOUNT _____%			
							SUBTOTAL <b>1,968</b>			
THE ABOVE STATEMENTS ARE CORRECT TO THE BEST OF MY KNOWLEDGE. I UNDERSTAND THAT ANY FALSE STATEMENTS MAY BE PUNISHABLE BY FINE OR IMPRISONMENT UNDER APPLICABLE FEDERAL LAW.							PROBATION SURCHARGE <b>—</b>			
							FEDERAL POLICY FEE <b>330</b>			
SIGNATURE OF INSURANCE AGENT/BROKER					DATE (MM/DD/YY)		TOTAL PREPAID AMOUNT <b>2,298</b>			

#### **Premium Calculation:**

1. Multiply Rate x \$100 of Coverage: Building: \$1,790 / Contents: \$172
2. Apply Deductible Factor: Building: 1.000 x \$1,790 = \$1,790 / Contents: 1.000 x \$172 = \$172
3. Premium Reduction/Increase: Building: \$0 / Contents: \$0
4. Subtotal: \$1,962
5. Add ICC Premium: \$6
6. Subtract CRS Discount: N/A
7. Subtotal: \$1,968
8. Probation Surcharge: N/A
9. Add Federal Policy Fee: \$330
10. Total Prepaid Amount: \$2,298

#### **CLAIMS ADJUSTMENT WITH COINSURANCE PROVISION**

Claim Payment is determined as follows:

$$\frac{(\text{Insurance Carried})}{(\text{Insurance Required})} \times (\text{Amount of Loss}) = (\text{Limit of Recovery}) - \text{Less Deductible}$$

$$\frac{750,000}{896,000} \times 300,000 = 251,116 - \text{Less Deductible}$$

(Coinsurance Penalty applies because minimum insurance amount of \$896,000 was not met.)



## CONDOMINIUM RATING EXAMPLE 4

### POST-FIRM, LOW-RISE, STANDARD DEDUCTIBLE, ZONE AE

#### Regular Program

- Building Coverage: \$600,000
- Contents Coverage: \$15,000
- Condominium Type: Low-rise
- Flood Zone: AE
- Occupancy: Other Residential
- # of Units: 6
- Date of Construction: Post-FIRM
- Building Type: 3 Floors, Townhouse, No Basement/Enclosure
- Deductible: \$500/\$500
- Deductible Factor: 1.000
- Replacement Cost: \$600,000
- Elevation Difference: +2
- 80% Coinsurance Amount: \$480,000
- ICC Premium: \$6 (\$30,000 Coverage)
- CRS Rating: N/A
- CRS Discount: N/A

#### Determined Rates:

Building: .18/.08                      Contents: .38/.12

COVERAGE	BASIC LIMITS			ADDITIONAL LIMITS (REGULAR PROGRAM ONLY)			DEDUCTIBLE	BASIC AND ADDITIONAL	TOTAL PREMIUM
	AMOUNT OF INSURANCE	RATE	ANNUAL PREMIUM	AMOUNT OF INSURANCE	RATE	ANNUAL PREMIUM	PREM. REDUCTION/ INCREASE	TOTAL AMOUNT OF INSURANCE	
BUILDING	<b>300,000</b>	<b>.18</b>	<b>540</b>	<b>300,000</b>	<b>.08</b>	<b>240</b>	<b>0</b>	<b>600,000</b>	<b>780</b>
CONTENTS	<b>15,000</b>	<b>.38</b>	<b>57</b>	<b>0</b>	<b>.12</b>		<b>0</b>	<b>15,000</b>	<b>57</b>
RATE TYPE: (ONE BUILDING PER POLICY—BLANKET COVERAGE NOT PERMITTED)						ANNUAL SUBTOTAL		<b>837</b>	
<input type="checkbox"/> MANUAL <input type="checkbox"/> SUBMIT FOR RATING <input type="checkbox"/> ALTERNATIVE <input type="checkbox"/> V-ZONE RISK RATING FORM <input type="checkbox"/> MORTGAGE PORTFOLIO PROTECTION PROGRAM <input type="checkbox"/> PROVISIONAL RATING								PAYMENT OPTION:	
						<input type="checkbox"/> CREDIT CARD		ICC PREMIUM	
						<input type="checkbox"/> OTHER: _____		SUBTOTAL	
								CRS PREMIUM DISCOUNT _____%	
								SUBTOTAL	
								<b>843</b>	
THE ABOVE STATEMENTS ARE CORRECT TO THE BEST OF MY KNOWLEDGE. I UNDERSTAND THAT ANY FALSE STATEMENTS MAY BE PUNISHABLE BY FINE OR IMPRISONMENT UNDER APPLICABLE FEDERAL LAW.						PROBATION SURCHARGE		—	
						FEDERAL POLICY FEE		<b>150</b>	
						TOTAL PREPAID AMOUNT		<b>993</b>	
SIGNATURE OF INSURANCE AGENT/BROKER _____						DATE (MM/DD/YY) _____			

#### Premium Calculation:

1. Multiply Rate x \$100 of Coverage: Building: \$780 / Contents: \$57
2. Apply Deductible Factor: Building: 1.000 x \$780 = \$780 / Contents: 1.000 x \$57 = \$57
3. Premium Reduction/Increase: Building: \$0 / Contents: \$0
4. Subtotal: \$837
5. Add ICC Premium: \$6
6. Subtract CRS Discount: N/A
7. Subtotal: \$843
8. Probation Surcharge: N/A
9. Add Federal Policy Fee: \$150
10. Total Prepaid Amount: \$993

#### CLAIMS ADJUSTMENT WITH COINSURANCE PROVISION

Coinsurance Penalty does not apply since the minimum insurance amount of 80% was met.

## CONDOMINIUM RATING EXAMPLE 5

### PRE-FIRM, HIGH-RISE, STANDARD DEDUCTIBLE, COINSURANCE PENALTY, ZONE A

#### Regular Program

- Building Coverage: \$1,110,000
- Contents Coverage: \$100,000
- Condominium Type: High-rise
- Flood Zone: A
- Occupancy: Other Residential
- # of Units: 50
- Date of Construction: Pre-FIRM
- Building Type: 3 or More Floors, No Basement/Enclosure
- Deductible: \$1,000/\$1,000
- Deductible Factor: 1.000
- Replacement Cost: \$1,500,000
- Elevation Difference: N/A
- 80% Coinsurance Amount: \$1,200,000
- ICC Premium: \$75 (\$30,000 Coverage)
- CRS Rating: 5
- CRS Discount: 25%

#### **Determined Rates:**

Building: .85/.15                      Contents: .96/.49

COVERAGE	BASIC LIMITS			ADDITIONAL LIMITS (REGULAR PROGRAM ONLY)			DEDUCTIBLE	BASIC AND ADDITIONAL	TOTAL PREMIUM	
	AMOUNT OF INSURANCE	RATE	ANNUAL PREMIUM	AMOUNT OF INSURANCE	RATE	ANNUAL PREMIUM	PREM. REDUCTION/ INCREASE	TOTAL AMOUNT OF INSURANCE		
BUILDING	<b>150,000</b>	<b>.85</b>	<b>1,275</b>	<b>960,000</b>	<b>.15</b>	<b>1,440</b>	<b>0</b>	<b>1,110,000</b>	<b>2,715</b>	
CONTENTS	<b>20,000</b>	<b>.96</b>	<b>192</b>	<b>80,000</b>	<b>.49</b>	<b>392</b>	<b>0</b>	<b>100,000</b>	<b>584</b>	
RATE TYPE: (ONE BUILDING PER POLICY—BLANKET COVERAGE NOT PERMITTED)							ANNUAL SUBTOTAL		<b>3,299</b>	
<input type="checkbox"/> MANUAL <input type="checkbox"/> SUBMIT FOR RATING <input type="checkbox"/> ALTERNATIVE <input type="checkbox"/> V-ZONE RISK RATING FORM <input type="checkbox"/> MORTGAGE PORTFOLIO PROTECTION PROGRAM <input type="checkbox"/> PROVISIONAL RATING							PAYMENT OPTION:		ICC PREMIUM	<b>75</b>
							<input type="checkbox"/> CREDIT CARD		SUBTOTAL	<b>3,374</b>
							<input type="checkbox"/> OTHER: _____		CRS PREMIUM DISCOUNT <span style="float: right;">— 25%</span>	<b>-844</b>
									SUBTOTAL	<b>2,530</b>
THE ABOVE STATEMENTS ARE CORRECT TO THE BEST OF MY KNOWLEDGE. I UNDERSTAND THAT ANY FALSE STATEMENTS MAY BE PUNISHABLE BY FINE OR IMPRISONMENT UNDER APPLICABLE FEDERAL LAW.							PROBATION SURCHARGE		—	
							FEDERAL POLICY FEE		<b>630</b>	
							TOTAL PREPAID AMOUNT		<b>3,160</b>	
SIGNATURE OF INSURANCE AGENT/BROKER					DATE (MM/DD/YY)					

#### **Premium Calculation:**

1. Multiply Rate x \$100 of Coverage: Building: \$2,715 / Contents: \$584
2. Apply Deductible Factor: Building: 1.000 x \$2,715 = \$1,225 / Contents: 1.000 x \$584 = \$584
3. Premium Reduction/Increase: Building: \$0 / Contents: \$0
4. Subtotal: \$3,299
5. Add ICC Premium: \$75
6. Subtract CRS Discount: - \$844 (25%)
7. Subtotal: \$2,530
8. Probation Surcharge: N/A
9. Add Federal Policy Fee: \$630
10. Total Prepaid Amount: \$3,160

#### **CLAIMS ADJUSTMENT WITH COINSURANCE PROVISION**

Claim Payment is determined as follows:

(Insurance Carried) 1,110,000 x (Amount of Loss) 200,000 = (Limit of Recovery) 185,000 - Less Deductible  
 (Insurance Required) 1,200,000

(Coinsurance Penalty applies because minimum insurance amount of \$1,200,000 was not met.)



## CONDOMINIUM RATING EXAMPLE 7

### POST-FIRM, HIGH-RISE, STANDARD DEDUCTIBLE, ZONE AE

#### Regular Program

- Building Coverage: \$12,000,000
- Contents Coverage: \$15,000
- Condominium Type: High-rise
- Flood Zone: AE
- Occupancy: Other Residential
- # of Units: 100
- Date of Construction: Post-FIRM
- Building Type: 3 or More Floors, No Basement/Enclosure
- Deductible: \$500/\$500
- Deductible Factor: 1.000
- Replacement Cost: \$15,000,000
- Elevation Difference: 0
- 80% Coinsurance Amount: \$12,000,000
- ICC Premium: \$6 (\$30,000 Coverage)
- CRS Rating: 9
- CRS Discount: 5%

#### **Determined Rates:**

Building: 1.43/.04      Contents: .65/.12

COVERAGE	BASIC LIMITS			ADDITIONAL LIMITS (REGULAR PROGRAM ONLY)			DEDUCTIBLE	BASIC AND ADDITIONAL	TOTAL PREMIUM	
	AMOUNT OF INSURANCE	RATE	ANNUAL PREMIUM	AMOUNT OF INSURANCE	RATE	ANNUAL PREMIUM	PREM. REDUCTION/ INCREASE	TOTAL AMOUNT OF INSURANCE		
BUILDING	<b>150,000</b>	<b>1.43</b>	<b>2,145</b>	<b>11,850,000</b>	<b>.04</b>	<b>4,740</b>	<b>0</b>	<b>12,000,000</b>	<b>6,885</b>	
CONTENTS	<b>15,000</b>	<b>.65</b>	<b>98</b>	<b>0</b>	<b>.12</b>	<b>0</b>	<b>0</b>	<b>15,000</b>	<b>98</b>	
RATE TYPE: (ONE BUILDING PER POLICY—BLANKET COVERAGE NOT PERMITTED)							ANNUAL SUBTOTAL		<b>6,983</b>	
<input type="checkbox"/> MANUAL <input type="checkbox"/> SUBMIT FOR RATING <input type="checkbox"/> ALTERNATIVE <input type="checkbox"/> V-ZONE RISK RATING FORM <input type="checkbox"/> MORTGAGE PORTFOLIO PROTECTION PROGRAM <input type="checkbox"/> PROVISIONAL RATING							PAYMENT OPTION:		ICC PREMIUM	<b>6</b>
							<input type="checkbox"/> CREDIT CARD		SUBTOTAL	<b>6,989</b>
							<input type="checkbox"/> OTHER: _____		CRS PREMIUM DISCOUNT <span style="float: right;">_5%</span>	<b>-349</b>
									SUBTOTAL	<b>6,640</b>
THE ABOVE STATEMENTS ARE CORRECT TO THE BEST OF MY KNOWLEDGE. I UNDERSTAND THAT ANY FALSE STATEMENTS MAY BE PUNISHABLE BY FINE OR IMPRISONMENT UNDER APPLICABLE FEDERAL LAW.							PROBATION SURCHARGE		—	
							FEDERAL POLICY FEE		<b>630</b>	
							TOTAL PREPAID AMOUNT		<b>7,270</b>	
SIGNATURE OF INSURANCE AGENT/BROKER _____							DATE (MM/DD/YY) _____			

#### **Premium Calculation:**

1. Multiply Rate x \$100 of Coverage: Building: \$6,885 / Contents: \$98
2. Apply Deductible Factor: Building: 1.000 x \$6,885 = \$6,885 / Contents: 1.000 x \$98 = \$98
3. Premium Increase: Building: \$0 / Contents: \$0
4. Subtotal: \$6,983
5. Add ICC Premium: \$6
6. Subtract CRS Discount: - \$349 (5%)
7. Subtotal: \$6,640
8. Probation Surcharge: N/A
9. Add Federal Policy Fee: \$630
10. Total Prepaid Amount: \$7,270

#### **CLAIMS ADJUSTMENT WITH COINSURANCE PROVISION**

Coinurance Penalty does not apply since the minimum insurance amount of 80% was met.

NOTE: The NFIP accepts premium only in whole dollars. If the discount for an optional deductible does not result in a whole dollar premium, round up if 50¢ or more; round down if less. Always submit gross premium.

## CONDOMINIUM RATING EXAMPLE 8

### PRE-FIRM, HIGH-RISE, ENCLOSURE, MAXIMUM DISCOUNT, COINSURANCE PENALTY, ZONE AE

**Regular Program**

- Building Coverage: \$4,000,000
- Contents Coverage: \$100,000
- Condominium Type: High-rise
- Flood Zone: AE
- Occupancy: Other Residential
- # of Units: 200
- Date of Construction: Pre-FIRM
- Building Type: 3 or More Floors, Including Enclosure
- Deductible: \$2,000/\$2,000
- Deductible Factor: .980 (Maximum Total Discount of \$111 applies)
- Replacement Cost: \$18,000,000
- Elevation Difference: N/A
- 80% Coinsurance Amount: \$14,400,000
- ICC Premium: \$75 (\$30,000 Coverage)
- CRS Rating: N/A
- CRS Discount: N/A

**Determined Rates:**

Building: .90/.15                      Contents: .96/.72

COVERAGE	BASIC LIMITS			ADDITIONAL LIMITS (REGULAR PROGRAM ONLY)			DEDUCTIBLE	BASIC AND ADDITIONAL	TOTAL PREMIUM	
	AMOUNT OF INSURANCE	RATE	ANNUAL PREMIUM	AMOUNT OF INSURANCE	RATE	ANNUAL PREMIUM	PREM. REDUCTION/ INCREASE	TOTAL AMOUNT OF INSURANCE		
BUILDING	<b>150,000</b>	<b>.90</b>	<b>1,350</b>	<b>3,850,000</b>	<b>.15</b>	<b>5,775</b>	<b>-111</b>	<b>4,000,000</b>	<b>7,014</b>	
CONTENTS	<b>20,000</b>	<b>.96</b>	<b>192</b>	<b>80,000</b>	<b>.72</b>	<b>576</b>	<b>0</b>	<b>100,000</b>	<b>768</b>	
RATE TYPE: (ONE BUILDING PER POLICY—BLANKET COVERAGE NOT PERMITTED)							ANNUAL SUBTOTAL		<b>7,782</b>	
<input type="checkbox"/> MANUAL <input type="checkbox"/> SUBMIT FOR RATING <input type="checkbox"/> ALTERNATIVE <input type="checkbox"/> V-ZONE RISK RATING FORM <input type="checkbox"/> MORTGAGE PORTFOLIO PROTECTION PROGRAM <input type="checkbox"/> PROVISIONAL RATING							PAYMENT OPTION:			
							<input type="checkbox"/> CREDIT CARD		ICC PREMIUM	<b>75</b>
							<input type="checkbox"/> OTHER: _____		SUBTOTAL	<b>7,857</b>
									CRS PREMIUM DISCOUNT _____%	—
									SUBTOTAL	<b>7,857</b>
THE ABOVE STATEMENTS ARE CORRECT TO THE BEST OF MY KNOWLEDGE. I UNDERSTAND THAT ANY FALSE STATEMENTS MAY BE PUNISHABLE BY FINE OR IMPRISONMENT UNDER APPLICABLE FEDERAL LAW.							PROBATION SURCHARGE		—	
							FEDERAL POLICY FEE		<b>630</b>	
							TOTAL PREPAID AMOUNT		<b>8,487</b>	
SIGNATURE OF INSURANCE AGENT/BROKER _____							DATE (MM/DD/YY) _____			

**Premium Calculation:**

1. Multiply Rate x \$100 of Coverage:      Building: \$7,125 / Contents: \$768
2. Apply Deductible Factor:                      Building: .980 x \$7,125 = \$6,983 / Contents: .980 x \$768 = \$753
3. Premium Reduction:                              Building: \$111 (maximum discount since \$7,125 - \$6,983 = \$142 exceeds the maximum) / Contents: \$0
4. Subtotal:    \$7,782
5. Add ICC Premium:                                      \$75
6. Subtract CRS Discount:                              N/A
7. Subtotal:    \$7,857
8. Probation Surcharge:                              N/A
9. Add Federal Policy Fee:                              \$630
10. Total Prepaid Amount:                              \$8,487

**CLAIMS ADJUSTMENT WITH COINSURANCE PROVISION**

Claim Payment is determined as follows:

$$\frac{(\text{Insurance Carried}) \ 4,000,000}{(\text{Insurance Required}) \ 14,400,000} \times (\text{Amount of Loss}) \ 1,000,000 = (\text{Limit of Recovery}) \ 277,778 - \text{Less Deductible}$$

(Coinsurance Penalty applies because minimum insurance amount of \$14,400,000 was not met.)



## PREFERRED RISK POLICY

### I. GENERAL DESCRIPTION

The Preferred Risk Policy (PRP) offers low-cost coverage to owners and tenants of eligible buildings located in the moderate-risk **B, C, and X Zones** in NFIP **Regular Program communities**.

The maximum one- to four-family residential coverage combination is \$250,000 building and \$100,000 contents. Up to \$100,000 contents-only coverage is available for other residential properties. The maximum non-residential coverage combination is \$500,000 building and \$500,000 contents.

Only one building can be insured per policy, and only one policy can be written on each building.

### II. ELIGIBILITY REQUIREMENTS

#### A. Flood Zone

To be eligible for building/contents coverage or contents-only coverage under the PRP, the building must be in a B, C, or X Zone **on the effective date of the policy**. The flood map available at the time of the renewal offer determines a building's continued eligibility for the PRP. NFIP map grandfathering rules do not apply to the PRP. For the purpose of determining the flood zone, the agent may use the FIRM in effect at the time of application and presentment of premium.

#### B. Occupancy

Combined building/contents amounts of insurance are available for owners of single-family, two- to four-family, and non-residential properties. Combined building and contents coverage is not available for other residential.

Contents-only coverage is available for tenants and owners of all eligible occupancies, except when contents are located entirely in a basement.

#### C. Loss History

A building's eligibility for the PRP is based on the preceding requirements and on the building's flood loss history. If one of the following conditions exists, regardless of any change(s) in ownership of the building, then the building is **not eligible** for the PRP:

- 2 flood insurance claim payments, each more than \$1,000; or
- 3 or more flood insurance claim payments, regardless of amount; or
- 2 Federal flood disaster relief payments (including loans and grants), each more than \$1,000; or
- 3 Federal flood disaster relief payments (including loans and grants), regardless of amount; or
- 1 flood insurance claim payment and 1 Federal flood disaster relief payment (including loans and grants), each more than \$1,000.

#### D. Exclusions

- The PRP is **not available** in Special Flood Hazard Areas or in Emergency Program communities.
- Other residential properties are **not eligible** for building coverage.
- Contents located entirely in a basement are **not eligible** for contents-only coverage. However, contents located entirely in an enclosure are eligible.

### THE PRP AT A GLANCE

POLICY TYPE	OCCUPANCY/MAXIMUM LIMITS		
	1-4 Family	Other Residential	Non-Residential
Combined Building/ Contents	\$250,000/ \$100,000	No Coverage	\$500,000/ \$500,000
Contents Only	\$100,000	\$100,000	\$500,000

NOTES: Condominium associations are not eligible for the Preferred Risk Policy. Individual condominium units are not eligible unless they qualify under one of the exceptions on page PRP 2.

- Condominium associations, unit owners, and their tenants are **not eligible** for the PRP, **except** for:
  - A townhouse/rowhouse building insured under the unit owner's name;
  - A detached, single-family dwelling insured under the unit owner's name.
  - Contents-only coverage for tenants occupying townhouse/rowhouse buildings or detached, single-family dwellings.
- Increased Cost of Compliance (ICC) coverage is **not available** for condominium units. (See footnote 3 on page PRP 3.)

### III. DOCUMENTATION

All Preferred Risk Policy new business applications must include documentation of eligibility for the PRP. Such applications must be accompanied by one of the following:

- A Letter of Map Amendment (LOMA)
- A Letter of Map Revision (LOMR)
- A Letter of Determination Review (LODR)
- A copy of the most recent flood map marked to show the exact location and flood zone of the building
- A letter indicating the exact location and flood zone of the building, and signed and dated by a local community official
- An elevation certificate indicating the exact location and flood zone of the building, and signed and dated by a surveyor, engineer, architect, or local community official
- A flood zone determination certification that guarantees the accuracy of the information.

An agent writing through a Write Your Own (WYO) company should contact that company for guidance.

### IV. RENEWAL

An eligible risk renews automatically without submission of a new application. If, during a policy term, the risk fails to meet the eligibility requirements, it will be ineligible for renewal as a PRP. Such a risk must be nonrenewed or rewritten as a conventional Standard Flood Insurance Policy (SFIP).

### V. COVERAGE LIMITS

The elevated building coverage limitation provisions do not apply to a policy written as a PRP.

### VI. REPLACEMENT COST COVERAGE

Replacement cost coverage applies **only if** the building is the principal residence of the insured and the building coverage chosen is at least 80 percent of the replacement cost of the building at the time of the loss, or the maximum coverage available under the NFIP.

### VII. DISCOUNTS/FEE/ICC PREMIUM

- No Community Rating System discount is associated with the PRP.
- Probation fees will be charged.
- The Federal Policy Fee of \$11.00 is included in the premium and is not subject to commission.
- The ICC premium is included.

### VIII. DEDUCTIBLES

The standard deductible for PRPs is \$500. Optional deductibles are not available for PRPs.

### IX. ENDORSEMENTS

The PRP may be endorsed to:

- Increase coverage mid-term, subject to the coverage limits in effect when the policy was issued or renewed. See page END 5 for an example.
- Correct misratings, such as incorrect building description or community number.

### X. CONVERSION OF STANDARD RATED POLICY TO PRP DUE TO MISRATING

A policy written as a Standard B, C, or X Zone policy and later found to be eligible for a PRP may be endorsed or rewritten as a PRP for only the current policy term.

When the risk has been rated with other than B, C, or X Zone rates, but is later found to be in a B, C, or X Zone and eligible for a PRP, the writing company will be allowed to endorse or cancel/rewrite up to 6 years.

The policy may be canceled/rewritten using Cancellation Reason Code 22 if both of the following conditions are met:

- The request to endorse or cancel/rewrite the policy is received during the current policy term.
- The policy has no open claim or closed paid claim on the policy term being canceled.



**PRP COVERAGES AVAILABLE EFFECTIVE MAY 1, 2004**  
**ONE- TO FOUR-FAMILY RESIDENTIAL**  
**BUILDING AND CONTENTS COVERAGE COMBINATIONS<sup>1</sup>**

With Basement or Enclosure			Without Basement or Enclosure		
Building	Contents	Premium <sup>2,3</sup>	Building	Contents	Premium <sup>2,3</sup>
\$ 20,000	\$ 8,000	\$137	\$ 20,000	\$ 8,000	\$112
\$ 30,000	\$ 12,000	\$163	\$ 30,000	\$ 12,000	\$138
\$ 50,000	\$ 20,000	\$205	\$ 50,000	\$ 20,000	\$180
\$ 75,000	\$ 30,000	\$232	\$ 75,000	\$ 30,000	\$207
\$100,000	\$ 40,000	\$263	\$100,000	\$ 40,000	\$233
\$125,000	\$ 50,000	\$279	\$125,000	\$ 50,000	\$249
\$150,000	\$ 60,000	\$294	\$150,000	\$ 60,000	\$264
\$200,000	\$ 80,000	\$331	\$200,000	\$ 80,000	\$296
\$250,000	\$100,000	\$352	\$250,000	\$100,000	\$317

**ALL RESIDENTIAL CONTENTS-ONLY COVERAGE<sup>1,4</sup>**

Contents Above Ground Level More Than One Floor		All Other Locations (Basement-Only Not Eligible)	
Contents	Premium <sup>2</sup>	Contents	Premium <sup>2</sup>
\$ 8,000	\$ 39	\$ 8,000	\$ 61
\$ 12,000	\$ 53	\$ 12,000	\$ 86
\$ 20,000	\$ 81	\$ 20,000	\$116
\$ 30,000	\$ 93	\$ 30,000	\$131
\$ 40,000	\$105	\$ 40,000	\$146
\$ 50,000	\$117	\$ 50,000	\$156
\$ 60,000	\$129	\$ 60,000	\$166
\$ 80,000	\$153	\$ 80,000	\$181
\$100,000	\$177	\$100,000	\$196

**NON-RESIDENTIAL BUILDING AND CONTENTS COVERAGE COMBINATIONS<sup>1</sup>**

With Basement or Enclosure			Without Basement or Enclosure		
Building	Contents	Premium <sup>2,3</sup>	Building	Contents	Premium <sup>2,3</sup>
\$ 50,000	\$ 50,000	\$ 800	\$ 50,000	\$ 50,000	\$ 500
\$100,000	\$100,000	\$1,375	\$100,000	\$100,000	\$ 800
\$150,000	\$150,000	\$1,850	\$150,000	\$150,000	\$1,050
\$200,000	\$200,000	\$2,200	\$200,000	\$200,000	\$1,300
\$250,000	\$250,000	\$2,500	\$250,000	\$250,000	\$1,500
\$300,000	\$300,000	\$2,800	\$300,000	\$300,000	\$1,700
\$350,000	\$350,000	\$3,100	\$350,000	\$350,000	\$1,850
\$400,000	\$400,000	\$3,350	\$400,000	\$400,000	\$2,000
\$500,000	\$500,000	\$3,850	\$500,000	\$500,000	\$2,300

**NON-RESIDENTIAL CONTENTS-ONLY COVERAGE<sup>1,4</sup>**

Contents Above Ground Level More Than One Floor		All Other Locations (Basement-Only Not Eligible)	
Contents	Premium <sup>2</sup>	Contents	Premium <sup>2</sup>
\$ 50,000	\$121	\$ 50,000	\$ 275
\$100,000	\$231	\$100,000	\$ 500
\$150,000	\$321	\$150,000	\$ 675
\$200,000	\$381	\$200,000	\$ 850
\$250,000	\$441	\$250,000	\$1,000
\$300,000	\$501	\$300,000	\$1,150
\$350,000	\$561	\$350,000	\$1,300
\$400,000	\$621	\$400,000	\$1,450
\$500,000	\$741	\$500,000	\$1,700

<sup>1</sup>Add the \$50.00 Probation Surcharge, if applicable.

<sup>2</sup>Premium includes Federal Policy Fee of \$11.00.

<sup>3</sup>Premium includes ICC premium of \$1.00. Deduct this amount if the risk is a townhouse/rowhouse condominium unit or a contents-only policy.

<sup>4</sup>Contents-only policies are not available for contents located in basement only.

NOTES: Condominium associations are not eligible for the Preferred Risk Policy. Individual condominium units are not eligible unless they qualify under one of the exceptions on page PRP 2.

The deductibles apply separately to building and contents. Building deductible, \$500. Contents deductible, \$500.

The new PRP building and/or contents coverage will be equal either to the building limit issued under the Standard B, C, or X Zone policy or the next higher limit available under the PRP if there is no PRP option equal to the Standard B, C, or X Zone building limit. For a standard contents-only policy, the contents coverage will be equal to the limit issued under the standard policy or the next higher limit. If building coverage is desired, the policy should be endorsed for building and contents coverage with a 30-day waiting period applied.

#### **XI. CONVERSION OF STANDARD RATED POLICY TO PRP DUE TO MAP REVISION, LOMA, OR LOMR**

A standard rated policy may be canceled and rewritten as a PRP as a result of a map revision, LOMA, or LOMR if the effective date of the map change was on or after February 1, 2005.

The policy may be canceled/rewritten using Cancellation Reason Code 24 under the following conditions:

- The request to cancel/rewrite the standard policy must be received during the policy term or within 6 months of the policy expiration date.
- The standard policy has no open claim or closed paid claim on the policy terms being canceled.
- The property meets all other PRP eligibility requirements.

The building and/or contents coverage on the new PRP must be equal either to the building limit and/or contents limit issued under the standard policy, or to the next higher limit available under the PRP if there is no PRP option equal to the standard policy building and/or contents limit.

#### **XII. CONVERSION OF PRP TO STANDARD RATED POLICY**

A Preferred Risk Policy must be canceled and rewritten to a standard rated policy if the risk no longer meets the eligibility requirements for a PRP.

The building and/or contents coverage on the new standard policy must be equal to the building limit and/or contents limit issued under the PRP.

#### **XIII. COMPLETING THE FLOOD INSURANCE PREFERRED RISK POLICY APPLICATION**

##### **A. Policy Status**

In the upper right corner of the form, check the appropriate box to indicate if the application is for a NEW policy or a RENEWAL of an existing policy. If the application is for a renewal, enter the current NFIP policy number.

##### **B. Policy Term**

The PRP is available only for 1-year terms.

1. Check the appropriate box to indicate who should receive the renewal bill. If BILL FIRST MORTGAGEE is checked, complete "First Mortgagee" section. If BILL SECOND MORTGAGEE, BILL LOSS PAYEE, or BILL OTHER is checked, provide mailing instructions in "Second Mortgagee or Other" section.
2. Enter the policy effective date and policy expiration date (month-day-year). The effective date of the policy is determined by adding the appropriate waiting period to the date of application in the "Signature" section. The standard waiting period is 30 days. Refer to the General Rules section, page GR 8, for the applicable waiting period.

##### **C. Agent Information**

Enter the agent's (producer's) name, agency name and number, address, city, state, ZIP Code, telephone number, fax number, and Tax I.D. Number or Social Security Number.

##### **D. Insured's Mailing Address**

1. Enter the name, mailing address, city, state, ZIP Code, telephone number, and Social Security Number of the insured.
2. If the insured's mailing address is a post office box or a rural route number, or if the address of the property to be insured is different from the mailing address, complete the "Property Location" section of the application.

##### **E. Disaster Assistance**

1. Check YES if flood insurance is being required for disaster assistance. Enter the insured's case file number, Tax I.D. Number, or Social Security Number on the line for CASE FILE NUMBER.
2. In the "Second Mortgagee or Other" block, identify the government (disaster) agency, and enter the complete name and mailing address of the disaster agency.
3. If NO is checked, no other information is required.

##### **F. First Mortgagee**

Enter the name, mailing address, city, state, ZIP Code, telephone number, and fax number of the first mortgagee. Enter the loan number.

##### **G. Second Mortgagee or Other**

1. Identify additional mortgagees by checking the appropriate box and entering the loan number, mortgagee's name, mailing address, telephone number, and fax number.

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