

NATIONAL FLOOD INSURANCE PROGRAM

TRANSACTION RECORD REPORTING AND PROCESSING (TRRP) PLAN

for the

WRITE YOUR OWN (WYO) PROGRAM

Revision 1	January 1, 1992
Revision 2	March 1, 1995
Revision 3	October 1, 1997
Revision 4	October 1, 2001
Changes 1 & 2.....	May 1, 2002
Change 3.....	October 1, 2002
Change 4.....	May 1, 2003
Change 5.....	October 1, 2003
Change 6.....	May 1, 2004
Change 6.1.....	February 1, 2005
Change 7.....	May 1, 2005
Change 7 (Revised).....	May 1, 2005
Change 8.....	October 1, 2005
Change 8.1.....	October 1, 2005
Change 9.....	May 1, 2006
Change 10.....	May 1, 2008
Change 11.....	May 1, 2008
Change 12.....	May 1, 2008
Change 13.....	October 1, 2009
Change 13.1.....	October 1, 2009
Change 13.2.....	October 1, 2009
Change 14.....	January 1, 2011



DATA ELEMENT: Risk Rating Method (Cont'd.)

DESCRIPTION: (Cont'd.)

Provisional Rating: Provisional rating is available to enable the placement of coverage prior to receipt of the Elevation Certificate. An Elevation Certificate and conversion to standard rating is still required. Provisionally rated policies cannot be renewed or rewritten with provisional rates. Provisionally rated policies cannot be endorsed to increase coverage limits until the required elevation information is received. Failure to obtain the Elevation Certificate could result in reduced coverage limits at the time of a loss.

Provisional rates may be used in writing new business whether or not the 30 day waiting period is applicable. The policy term is 1 year.

Policies rated using provisional rates are subject to CRS discounts, probation surcharges, and optional deductible relativities, as applicable. The Expense Constant and Federal Policy Fee also apply to policies rated using provisional rates.

Preferred Risk Policy (PRP): Prior to May 1, 2004, this policy was available for one- to four-family residential buildings only and solely in B, C, and X zones. Effective May 1, 2004, this policy will also be available for other residential and non-residential buildings solely in B, C and X zones.

There are various levels of coverage that may be chosen. The amounts for each option are fixed and cannot vary and include both building and contents coverage. Effective May 1, 2004, contents-only coverage will be available for PRP policies.

Premiums, likewise, are flat and fixed, with no rates, and vary only for basement and no-basement structures. Effective May 1, 2004, premiums for contents-only PRP policies will vary depending upon the specific location of contents reported, regardless of the basement/enclosure/crawlspace type.

Effective January 1, 2011, buildings newly designated in a Special Flood Hazard Area following a flood map revision on or after October 1, 2008, may be able to maintain the lower cost PRP for 2 years following the effective date of the map change. Please refer to the Flood Insurance Manual - Preferred Risk Policy section - for additional information regarding PRP eligibility. New risk rating methods 'P' and 'Q' will be used to identify this type of PRP.

Tentative Rate: Tentative rates, which are generally higher than the normal manual rates, are used to issue policies when producers fail to provide the required actuarial rating information such as a valid Elevation Certificate. By applying tentative rates, the agent can generate a policy with coverage limits based on the actual premium received. Tentatively rated policies cannot be endorsed to increase coverage limits, or renewed for another policy term, until the required actuarial rating information and full premium payment are received.

DATA ELEMENT: Risk Rating Method (Cont'd.)

DESCRIPTION: (Cont'd.)

Note: Effective May 1, 2004, tentative rates can be used only once on new business or renewal transactions. Any subsequent renewals using tentative rates will be in error.

Mortgage Portfolio Protection Program (MPPP) Policies: MPPP policies are allowed only in conjunction with mortgage portfolio reviews and the servicing of those portfolios by lenders and mortgage servicing companies. Policies are written because the mortgagor did not respond to previous notices to purchase coverage and show evidence of such. Policies under the MPPP will be for one term only and can be renewed but not automatically.

The following data elements are required to be reported for MPPP policies:

1. WYO Transaction Code
2. WYO Transaction Date
3. WYO Prefix Code
4. Policy Number
5. Policy Effective Date
6. Policy Expiration Date
7. Name or Descriptive Information Indicator
8. Property Street Address
9. Property City
10. Property State
11. Property ZIP Code
12. Community Identification Number (Rating Map Information)
13. Map Panel Number (Rating Map Information)
14. Map Panel Suffix (Rating Map Information)
15. Flood Risk Zone (Rating Map Information)
16. Occupancy Type
17. Total Amount of Insurance - Building
18. Total Amount of Insurance - Contents
19. Total Calculated Premium
20. Risk Rating Method
21. Insured Last Name
22. Condominium Indicator
23. Regular/Emergency Program Indicator
24. Insured First Name
25. Name Format Indicator
26. Mailing City
27. Mailing State
28. Mailing Street Address
29. Mailing ZIP Code

Optional Post-1981 V Zone Rate: Pre-FIRM and Post-FIRM 1975-1981 buildings in Zones VE and V01-V30 are allowed to use Post-1981 V Zone rates if the rates are more favorable to the insured. In order to qualify, the following criteria must be met:

- The policy must be rated using the BFE printed on the FIRM that includes wave height.
- The building rates are determined based on the ratio of the estimated building replacement cost and amount of insurance purchased

DATA ELEMENT: Risk Rating Method (Cont'd.)

DESCRIPTION: (Cont'd.)

- The effective date of the FIRM or the reported map panel date is on or after October 1, 1981.
- The building must be either elevated free of obstruction or with breakaway wall obstruction less than 300 square feet. All machinery and equipment below the BFE are considered obstructions.

Group Flood Insurance Policy (GFIP): This policy provides a temporary mechanism for the recipients of IFG (Individual and Family Grant) and IHP (Individual and Households Grant Program) disaster assistance - generally low-income persons - to have flood insurance coverage for a period of three years following a flood loss (as a result of a major disaster declaration by the President) so that they will have time to recover from the disaster and be in a better position to buy flood insurance for themselves after the expiration of their three-year policy term. The premium for the GFIP will be a flat fee and may be adjusted at any time to reflect NFIP loss experience and adjustment of benefits under the stated grant programs. The amount of coverage is equivalent to the maximum grant amount established and the three-year policy term begins 60 days after the date of the disaster declaration.

FEMA Special Rates: Effective May 1, 2008, WYO companies that use special rates provided by FEMA must report these policies indicating risk rating method 'S'. FEMA Special Rates are to be used on new business and renewal transactions. These rates are assigned and approved by FEMA and not included in the Specific Rating Guidelines.

Severe Repetitive Loss Properties: Policies renewed or issued on or after January 1, 2007, that meet the criteria for severe repetitive loss (SRL) are transferred to the Special Direct Facility for policy issuance. Mitigation offers made to SRL property owners under the SRL program will result in increased insurance premiums for the SRL property owners who refuse to accept the mitigation offer.

Leased Federal Property: Leased Federal Properties are identified as any properties leased from the Federal Government (including residential and nonresidential properties) that are determined to be located on the river-facing side of any dike, levee, or other riverine flood control structure, or seaward of any seawall or other coastal flood control structure. Effective October 1, 2009, this type of property will be reported with risk rating method 'F'. Actuarial rates will apply to all new and renewal policies with effective dates on or after October 1, 2009. In order to establish actuarial rates, an Elevation Certificate (EC) must be available. If the EC is not received within 45 days from the date of notice, the policy may be nullified or issued using tentative rates.

DATA ELEMENT: Risk Rating Method (Cont'd.)

EDIT CRITERIA: Number, Alphanumeric, Acceptable Values:

- 1 - Manual
- 2 - Specific
- 3 - Alternative
- 4 - V-Zone Risk Factor Rating Form
- 5 - Underinsured Condominium Master Policy
- 6 - Provisional
- 7 - Preferred Risk Policy
- 8 - Tentative
- 9 - MPPP Policy
- A - Optional Post-1981 V Zone
- F - Leased Federal Property
- G - Group Flood Insurance Policy (GFIP)
- P - Preferred Risk Policy (1st year of 2-year PRP eligibility extension)
- Q - Preferred Risk Policy (2nd year of 2-year PRP eligibility extension)
- S - FEMA Special Rates
- T - Severe Repetitive Loss Properties (formerly Target Group Full Risk)

LENGTH: 1

DEPENDENCIES: Information is to be obtained from the Flood Insurance Application and the Elevation Certificate.

SYSTEM FUNCTION: Premium Calculation

REPORTING REQUIREMENT: Required

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DATA ELEMENT: Second Lender City

ALIAS: None

ACRONYM: (PMF) SECLNDR_CITY

FILE: Policy Master File (PMF)
Lender Master File (LMF)

DESCRIPTION:

The name of the city in which the second mortgagee mailing address is located.

EDIT CRITERIA: Alpha

LENGTH: 30

DEPENDENCIES: Information is obtained from the Flood Insurance Application.

SYSTEM FUNCTION: Lender compliance per the NFIP Reform Act of 1994

REPORTING REQUIREMENT: Required for policies expired more than 120 days.

REGULAR/EMERGENCY PROGRAM INDICATOR

<u>DESCRIPTION</u>	<u>CODE</u>
Emergency Program	E
Regular Program	R

REPETITIVE LOSS TARGET GROUP INDICATOR

<u>DESCRIPTION</u>	<u>CODE</u>
Repetitive Loss Target Group Policy	Y
Not a Repetitive Loss Target Group Policy	N or Blank

REPLACEMENT COST INDICATOR

<u>DESCRIPTION</u>	<u>CODE</u>
Replacement Cost Basis	R
Actual Cash Value Basis	A

RISK RATING METHOD

<u>DESCRIPTION</u>	<u>CODE</u>
Manual	1
Specific	2
Alternative	3
V-Zone Risk Factor Rating Form	4
Underinsured Condominium Master Policy	5
Provisional	6
Preferred Risk Policy	7
Tentative	8
MPPP Policy	9
Optional Post-1981 V Zone	A
Leased Federal Properties	F
Group Flood Insurance Policy	G
Preferred Risk Policy (1st year of 2-year PRP eligibility Extension)	P
Preferred Risk Policy (2nd year of 2-year PRP eligibility Extension)	Q
FEMA Special Rates	S
Severe Repetitive Loss Properties	T

SPECIAL EXPENSE TYPE

<u>DESCRIPTION</u>	<u>CODE</u>
Engineering expense	1
Cost to establish coverage or property value	2
Legal expense	3
Cost of appraisal	4

STATE-OWNED PROPERTY

<u>DESCRIPTION</u>	<u>CODE</u>
State-Owned	Y
Not State-Owned	N

SUBSTANTIAL IMPROVEMENT INDICATOR

<u>DESCRIPTION</u>	<u>CODE</u>
Repair, reconstruction, or improvement costs equaled or exceeded 50 percent of market value of building before it was damaged or improved	Y
No alterations meeting criterion above	N

VALUE OF BUILDING ITEMS SUBJECT TO POLICY EXCLUSIONS (ACV)

<u>DESCRIPTION</u>	<u>CODE</u>
Less than \$1,000	1
\$1,000 - \$2,000	2
\$2,001 - \$5,000	3
\$5,001 - \$10,000	4
\$10,001 - \$20,000	5
More than \$20,000	6

VALUE OF CONTENTS ITEMS SUBJECT TO POLICY EXCLUSIONS (ACV)

<u>DESCRIPTION</u>	<u>CODE</u>
Less than \$1,000	1
\$1,000 - \$2,000	2
\$2,001 - \$5,000	3
\$5,001 - \$10,000	4
\$10,001 - \$20,000	5
More than \$20,000	6