



**FEMA**

W-06044

July 11, 2006

**MEMORANDUM TO:** Write Your Own (WYO) Company Principal Coordinators  
and the NFIP Servicing Agent

**FROM:** WYO Clearinghouse

**SUBJECT:** Severe Repetitive Loss Program - Depopulation

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

Attached is a copy of the notification letter that the SDF will be sending to the policyholder, mortgagee, and agent at least 90 days prior to the policy renewal date informing them that their flood insurance must be issued through a participating WYO Company or the NFIP Servicing Agent.

Please share this information with others in your organization, as appropriate.

Attachment

cc: Vendors, IBHS, FIPNC, Government Technical Representative

Suggested Routing: Marketing, Underwriting, Claims

Date: <<documentdate>>

<<recipientcaption>>  
<<recipientaddressblock1>>  
<<recipientaddressblock2>>  
<<recipientaddressblock3>>  
<<recipientaddressblock4>>  
<<recipientaddressblock5>>  
<<recipientaddressblock6>>

<<tocaption>>  
<<toaddressblock1>>  
<<toaddressblock2>>  
<<toaddressblock3>>  
<<toaddressblock4>>  
<<toaddressblock5>>  
<<toaddressblock6>>

RE: POLICY NUMBER: <<d01hdrpolnum>>  
POLICYHOLDER: <<insuredaddressblock1>>

PROPERTY LOCATION:  
<<d05upipropertyloc1>>  
<d05upipropertyloc2>>  
<<d05upipropertyloc3>>

Dear Policyholder:

Your flood insurance policy is in the Repetitive Loss Target Group (RLTG) of the National Flood Insurance Program (NFIP). The rules and regulations concerning Repetitive Loss Properties have changed; effective October 1, 2006, the RLTG will no longer exist and will be replaced by the Severe Repetitive Loss Program. The Severe Repetitive Loss Program consists of any NFIP insured property that meets at least one of the following paid flood loss criteria since 1978:

1. Four or more separate claim payments of more than \$5,000 (building and/or contents); or
2. Two or more building claim payments where the total of the payments exceeds the market value of the property.

Because of these changes, some of the buildings currently identified as RLTG properties do not meet the criteria to be included in the Severe Repetitive Loss Program. Your property met the criteria of the RLTG, but, according to the current data on file, does not meet the criteria of the Severe Repetitive Loss Program. Therefore, your policy will be removed from the RLTG upon its next renewal, in about 90 days, assuming no further losses occur to your property that will qualify it for the Severe Repetitive Loss Program.

Since uninterrupted flood protection is important to you, we will send you a renewal bill from the NFIP Direct Servicing Agent's Special Direct Facility, which currently handles your policy. We recommend that you contact your agent immediately in order to obtain continued coverage either with the NFIP Direct Servicing Agent, or with an NFIP Write-Your-Own Company of your choice. Should the NFIP's Special Direct Facility receive a renewal premium payment, it will be applied to a standard flood policy through the NFIP Direct Servicing Agent.

Please contact us at 1-800-638-6620 if you have any questions. We appreciate the opportunity to serve you.

Underwriting Department  
(xxx) xxx-xxxx

<<cclabel>>: <<ccname1>>  
<<ccname2>>  
<<ccname3>>  
<<ccname4>>

Non-Qualify as SRL