U.S. Department of Homeland Security
500 C Street, SW
Washington, DC 20472

FEMA

W-14014

April 15, 2014

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

FROM: David L. Miller
Associate Administrator
Federal Insurance and Mitigation Administration

SUBJECT: Section 3 of the Homeowner Flood Insurance Affordability Act of 2014 (HR 3370)

On March 21, 2014, President Obama signed the Homeowner Flood Insurance Affordability Act of 2014 (HFIAA) into law. Pub. Law No. 113-89 (Mar. 21, 2014). This law repeals and amends certain provisions of the Biggert-Waters Flood Insurance Reform Act, Pub. Law No. 112-141 (Jul. 6, 2012) and the National Flood Insurance Act of 1968, 42 U.S.C. §§ 4001-*et seq.*. FEMA has actively begun analyzing and prioritizing implementation of the HFIAA. FEMA appreciates your cooperation during our continued consultation with you.

The purpose of this bulletin is to stop charging full risk-rates for all types of Pre-Flood Insurance Rate Map (FIRM) properties covered by section 3 of the HFIAA which includes primary residences and businesses. Section 3 of the HFIAA requires FEMA and WYO companies to restore Pre-FIRM subsidized rates for the following properties: (a) Pre-FIRM properties that were not insured when Biggert Waters was enacted; (b) Pre-FIRM properties that were sold after Biggert Waters was enacted; and (c) policies for Pre-FIRM properties that were rated full-risk under Biggert Waters due to a lapse in coverage.

Effective May 1, 2014, FEMA is requiring the WYO Companies and the Direct Servicing Agent to use the appropriate October 1, 2013 Pre-FIRM Rate Tables when more favorable than full-risk rates for the following types of scenarios:

- New application for Pre-FIRM buildings rated in zones Unnumbered A, AE, A1-A30, AH, AO, V, VE, V1-V30 and D effective on or after October 1, 2013, and processed on or after May 1, 2014 (previously impacted by Section 100205 (g)(1) of BW-12);

- Pre-FIRM subsidized policies assigned to a new building owner upon a purchase occurring on or after July 6, 2012, where the endorsement is effective on or after October 1, 2013, and processed on or after May 1, 2014 (previously impacted by Section 100205 (g)(2) of Biggert-Waters);
- Reinstatement on or after October 4, 2012, of a lapsed Pre-FIRM subsidized policy processed on or after May 1, 2014 (previously impacted by Section 100205 (g)(3) Biggert-Waters);
- Renewal of all policies for Pre-FIRM buildings that were not insured when Biggert Waters was enacted in zones Unnumbered A, AE, A1-A30, AH, AO, V, VE, V1-V30 and D processed on or after May 1, 2014 (previously impacted by Section 100205 (g)(1) of Biggert-Waters); and
- Renewal of all policies for Pre-FIRM buildings that were purchased after Biggert Waters was enacted in zones Unnumbered A, AE, A1-A30, AH, AO, V, VE, V1-V30 and D processed on or after May 1, 2014 (previously impacted by Section 100205 (g)(2) of Biggert-Waters).

As required by the HFIAA, FEMA will continue to consult and coordinate with WYO insurers and other stakeholders as we implement other provisions of the law, including premium refunds. Thank you for your patience. For questions, please contact Joe Cecil at (202) 212-2067.

Attachments

cc: Vendors, IBHS, FIPNC, Government Technical Representative

Required Routing: Accounting, Data Processing, Underwriting, Marketing

ATTACHMENT A

Summary of Phase I Implementation
of the Homeowners Flood Insurance Affordability Act of 2014
Effective May 1, 2014

Procedures for Pre-FIRM buildings newly insured or newly purchased, and reinstatements of lapsed subsidized policies on or after May 1, 2014:

The Homeowners Flood Insurance Affordability Act (HFIAA) of 2014 repeals certain provisions of the Biggert-Waters Flood Insurance Reform Act of 2012 (Biggert Waters) that eliminated eligibility for Pre-Flood Insurance Rate Map (FIRM) subsidies for buildings newly purchased or newly insured on or after July 6, 2012, as well as reinstatements of lapsed policies effective on or after October 4, 2012. The Federal Emergency Management Agency's (FEMA) initial priority is to restore Pre-FIRM subsidies for policyholders covered by section 3 of the HFIAA.

Section 3 of the HFIAA requires FEMA and Write Your Own (WYO) companies to restore Pre-FIRM subsidized rates for the following properties: (a) Pre-FIRM properties that were not insured when Biggert Waters was enacted; (b) Pre-FIRM properties that were sold after Biggert Waters was enacted; and (c) policies for Pre-FIRM properties that were rated full-risk under Biggert Waters due to a lapse in coverage. Id. Sec. 3. Section 3 also requires FEMA and WYO companies to refund premiums collected from these policyholders in excess of the Pre-FIRM subsidized rate.

To prevent policyholders eligible for the Pre-FIRM subsidized rates from paying the full-risk rates or the cost of purchasing an Elevation Certificate (EC) to determine full-risk rates, FEMA is requiring the WYO insurance companies and the Direct Service Agents (DSA) to use the October 1, 2013, Pre-FIRM subsidized rates when more favorable than full-risk rates. This impacts policies newly issued or renewed on or after May 1, 2014, in the following instances:

- New application for Pre-FIRM buildings rated in zones Unnumbered A, AE, A1-A30, AH, AO, V, VE, V1-V30 and D effective on or after October 1, 2013, and processed on or after May 1, 2014 (previously impacted by Section 100205 (g)(1) of Biggert Waters);
- Pre-FIRM subsidized policies assigned to a new building owner upon a purchase occurring on or after July 6, 2012, where the endorsement is effective on or after October 1, 2013, and processed on or after May 1, 2014 (previously impacted by Section 100205 (g)(2) of Biggert Waters);
- Reinstatement effective on or after October 4, 2012, of a lapsed Pre-FIRM subsidized policy processed on or after May 1, 2014 (previously impacted by Section 100205 (g)(3) of Biggert Waters);
- Renewal of all policies for Pre-FIRM buildings that were not insured when Biggert Waters was enacted in zones Unnumbered A, AE, A1-A30, AH, AO, V, VE, V1-V30 and D processed on or after May 1, 2014 (previously impacted by Section 100205 (g)(1) of Biggert Waters); and
- Renewal of all policies for Pre-FIRM buildings that were purchased after Biggert Waters was enacted in zones Unnumbered A, AE, A1-A30, AH, AO, V, VE, V1-V30 and D processed on or after May 1, 2014 (previously impacted by Section 100205 (g)(2) of Biggert Waters).

FEMA is also requiring the WYO insurance companies and the DSA to use the October 1, 2013, Pre-FIRM subsidized rates when more favorable than full-risk rates to process all renewals of coverage for Pre-FIRM buildings that have not issued with full-risk, tentative, or provisional rates.

New Policy Procedures

New policy applications for Pre-FIRM buildings rated in zones Unnumbered A, AE, A1-A30, AH, AO, V, VE, V1-V30 and D that are received and/or processed on or after May 1, 2014, are eligible for Pre-FIRM subsidized rates. The applicable rates are located in the Rating Section of the Flood Insurance Manual (FIM) in Tables 2A (Regular Program – Pre-FIRM Construction Rates), 2B (Regular Program – Pre-FIRM Construction Rates (Effective January 1, 2013, or January 1, 2014, depending on the policy effective date, Non-Principal/Non-Primary Residence), and 2C (Regular Program – Pre-FIRM Construction Rates Severe Repetitive Loss Properties), and in the Condominium Section of the FIM in Tables 3A (RCBAP High-Rise Condominium Rates), 3B (RCBAP High-Rise Condominium Rates), 4A (RCBAP Low-Rise Condominium Rates), and 4B (RCBAP Low-Rise Condominium Rates (Including Townhouse/Rowhouse)).

When selecting a Pre-FIRM subsidized rate for a policy rated as a single-family or 2-4 family dwelling, including condominium units covered under the Dwelling form, the non-primary residence rates available in the June 1, 2014, edition of the NFIP Flood Insurance Manual must be used if there is no documentation of primary residence. Affected policyholders must be mailed the Notice to Residential Policyholders provided with Bulletin W-14001 issued on January 16, 2014.

Renewals

Renewals for Pre-FIRM buildings rated in zones Unnumbered A, AE, A1-A30, AH, AO, V, VE, V1-V30 and D that are received and/or processed on or after May 1, 2014, are eligible for Pre-FIRM rates. The applicable rates are located in the Rating Section of the FIM in Tables 2A (Regular Program – Pre-FIRM Construction Rates), 2B (Regular Program – Pre-FIRM Construction Rates (Effective January 1, 2013, or January 1, 2014, depending on the policy effective date, Non-Principal/Non-Primary Residence), and 2C (Regular Program – Pre-FIRM Construction Rates Severe Repetitive Loss Properties), and in the Condominium Section of the FIM in Tables 3A (RCBAP High-Rise Condominium Rates), 3B (RCBAP High-Rise Condominium Rates) , 4A (RCBAP Low-Rise Condominium Rates).

Renewal offers reflecting Pre-FIRM subsidized rates must be made for all subsidized policies expiring on or after September 1, 2014.

Renewal payments received for Pre-FIRM subsidized policies that have not issued with full-risk, tentative, or provisional rates may renew with Pre-FIRM subsidized rates unless full-risk rates are more favorable.

Rollover and transfer renewals of Pre-FIRM subsidized policies from one insurer to another may be documented with only the expiring Declarations. There is no need to establish subsidy eligibility prior to July 6, 2012.

For renewal offers, insurers must use the non-primary residence Pre-FIRM subsidized rates available in the June 1, 2014, edition of the NFIP FIM if the policy is rated as a single-family or 2-4 family dwelling, including condominium units covered under the Dwelling form, if there is no documentation of primary residence. Affected policyholders must be mailed the Notice to Residential Policyholders provided with Bulletin W-14001 issued on January 16, 2014.

Endorsements

Pre-FIRM subsidized policies assigned to a new building owner upon a purchase occurring on or after October 1, 2013, are eligible for subsidized rates provided the endorsement request is received and/or processed on or after May 1, 2014.

Pursuant to Section VII.G of the Standard Flood Insurance Policy, if a new or renewal policy covering a Pre-FIRM building originally issued with reduced coverage and an underpayment notice determined with full-risk, tentative, or provisional rates, the policy may be endorsed with Pre-FIRM subsidized rates if more favorable to the insured, and coverage may be increased up to the originally requested amount, so long as the endorsement is processed within 30 days of the original underpayment notice.

Until further instruction is provided, under no other circumstances may an endorsement that changes the rating from full-risk, tentative, or provisional rates to Pre-FIRM subsidized rates be used to generate a refund. Guidance for refunds compliant with the HFIAA will be provided through a separate Bulletin. A non-premium related endorsement transaction triggering a return premium based on eligibility for Pre-FIRM subsidized rates must be held in suspense until the refund guidance is provided.

Reporting

Edits developed for the implementation of Section 100205 (g)(1),(2), and (3) of Biggert Waters and applied to policy transactions reported to the NFIP by insurers in the Transaction Record Reporting and Processing (TRRP) Plan and Edit Specifications will be cancelled effective October 1, 2013. The edits that will be cancelled are the following: PL036075, PL036090, and PL036095 for Elevation Difference; PL 041130 for Risk Rating Method; and edits PL004180 and PL004190 requiring elevations for assignments and lapsed policies. Updated Edit Specifications are attached (Attachment “B”).

To apply Pre-FIRM subsidized rates, insurers must use Risk Rating Method ‘1’ for Pre-FIRM buildings rated in zones Unnumbered A, AE, A1-A30, AH, AO, V, VE, V1-V30, and D. The default elevation difference value of ‘+999’ may be reported if the insurer has not provided an Elevation Certificate (EC) for Flood Insurance providing the structure specific elevation information.

When the full-risk premium is more favorable to the insured than the Pre-FIRM subsidized rate the Risk Rating Method must be changed to a 'B' if the elevation of the lowest floor is above the Base Flood Elevation (BFE), or a 'W' if the elevation of the lowest floor is below the BFE. Special Rate Consideration provided to certain buildings with the lowest floor below BFE should be reported with a Risk Rating Method of 'E' as outlined in the Specific Rating Guidelines (SRG).

Optional Full-Risk Rating

If elevation information is optionally provided to the insurer, the information must be retained in the policy records even when not used for rating in the current policy year. A comparison between full-risk premium rates and Pre-FIRM subsidized rates must be performed with each renewal or endorsement until the full-risk premium is more favorable to the insured. Optional full-risk rating may not be applied to policy years prior to presentment of the EC.

Insurers must compare Pre-FIRM subsidized rates to the full-risk rates, including full-risk rates currently published in the SRG, and use the more favorable rates. The SRG is a supplemental set of tables to the FIM used for buildings of higher-than-average risk due to factors such as construction below the BFE in an SFHA. Like the FIM, the June 1, 2014, version of the SRG was issued prior to enactment of the HFIAA, and may contain procedural guidance contrary to this Bulletin. Where there is conflict, this Bulletin takes precedence.

Additional Information

The June 1, 2014, FIM and SRG were prepared prior to the passage of the HFIAA and contain instructions contrary to this Bulletin (including attachments). Revised FIM and SRG pages will be issued as soon as possible. If there is a conflict, the procedures in this document take precedence.

Refunds

In a separate bulletin, FEMA will issue new rate tables and separate guidance to the WYO insurance companies and the DSA to begin issuing refunds as outlined in HFIAA for some policyholders who were paid full-risk premiums under Biggert Waters. No HFIAA premium refund change endorsement is to be issued until these new tables are released with the technical guidance for implementation of the refund process.

ATTACHMENT B

Edit Specifications for the Phase I Implementation of the Homeowners Flood Insurance Affordability Act of 2014 Effective May 1, 2014

A summary of the October 2013 Edit Specifications Cancellations (Change 16) is as follows:

Cover Sheet	Added ‘Change 16’ for October 1, 2013 - to reflect those edits cancelled as of October 1, 2013
Part 1 (1.2) - Instructions	Edits cancelled effective October 1, 2013
Part 2 - Edits Dictionary	PL036075: Elevation Difference **(cancelled)** PL036090: Elevation Difference **(cancelled)** PL036095: Elevation Difference **(cancelled)** PL004180: Policy Number **(cancelled)** PL004190: Policy Number **(cancelled)** PL041130: Risk Rating Method **(cancelled)**

INSTRUCTIONS

NATIONAL FLOOD INSURANCE PROGRAM

EDIT SPECIFICATIONS

FOR THE WRITE-YOUR-OWN PROGRAM

MAY 1, 2004

REVISION 8 ..... MAY 1, 2004

CHANGE 1 ..... MAY 1, 2005

CHANGE 2 ..... OCTOBER 1, 2005

CHANGE 3 ..... MAY 1, 2006

CHANGE 4 ..... MAY 1, 2008

CHANGE 5 (REVISED) ..... MAY 1, 2008

CHANGE 6 ..... OCTOBER 1, 2009

CHANGE 6.1 ..... OCTOBER 1, 2009

CHANGE 7 ..... MAY 1, 2010

CHANGE 8 ..... JANUARY 1, 2011

CHANGE 9 ..... OCTOBER 1, 2011

CHANGE 10 ..... MAY 1, 2012

CHANGE 11 ..... OCTOBER 1, 2012

CHANGE 12 ..... JANUARY 1, 2013

CHANGE 13 ..... OCTOBER 1, 2013

CHANGE 13.1 ..... OCTOBER 1, 2013

CHANGE 13.2 ..... OCTOBER 1, 2013

CHANGE 13.3 ..... OCTOBER 1, 2013

CHANGE 14 ..... JUNE 1, 2014

CHANGE 14.1 ..... JUNE 1, 2014

CHANGE 15 ..... OCTOBER 1, 2014

CHANGE 16 ..... OCTOBER 1, 2013 **(cancellations)**

EDITS CANCELLED EFFECTIVE OCTOBER 1, 2013

DATA ELEMENT	ORDER	ERROR CODE
ELEVATION DIFFERENCE	75	PL036075
	90	PL036090
	95	PL036095
POLICY NUMBER	80	PL004180
	90	PL004190
RISK RATING METHOD	130	PL041130

EDITS DICTIONARY SECTION

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EDIT DICTIONARY

DATA ELEMENT: ELEVATION DIFFERENCE

EDIT CRITERIA

ORDER: 75

EFFECTIVE: 10/01/2013 REVISED: CANCELLED: 10/01/2013

EDIT LEVEL: EDIT PROCESSOR PROGRAM EDIT TYPE: RELATIONAL

ERROR CODE: PL036075 ERROR TYPE: CRITICAL

ERROR MESSAGE: ELEVATION DIFFERENCE MAY NOT BE THE DEFAULT FOR RENEWAL REINSTATEMENTS WITH SFHA ZONES DUE TO LAPSE IN COVERAGE.

FAIL EDIT
UPDATE ACTION: UPDATE

DESCRIPTION:

IF WYO TRANSACTION CODE IS '17A' (RENEWAL) AND
POLICY EFFECTIVE DATE IS ON OR AFTER 10/01/2013 AND
POST-FIRM CONSTRUCTION INDICATOR IS 'N' AND
RISK RATING METHOD IS 'B' OR 'W' AND
FLOOD RISK ZONE IS SFHA (A01-A30, AE, VE, V01-V30, AO,
AH, AOB, AHB, OR UNNUMBERED 'A') AND
POLICY EFFECTIVE DATE IS MORE THAN 1 DAY AFTER THE
POLICY EXPIRATION DATE OF THE PRIOR TERM
(LAPSE IN COVERAGE),

THEN ELEVATION DIFFERENCE MUST BE NUMERIC OTHER THAN THE
DEFAULT (+999).

NOTE:
THE ELEVATION DIFFERENCE CAN BE REPORTED WITH DEFAULT VALUE
+999 IF THE RISK RATING METHOD IS '2' OR '8'.

EDIT DICTIONARY

DATA ELEMENT: ELEVATION DIFFERENCE

EDIT CRITERIA

ORDER: 90

EFFECTIVE: 10/01/2013 REVISED: CANCELLED: 10/01/2013

EDIT LEVEL: EDIT PROCESSOR PROGRAM EDIT TYPE: RELATIONAL

ERROR CODE: PL036090 ERROR TYPE: CRITICAL

ERROR MESSAGE: ELEVATION DIFFERENCE MAY NOT BE THE DEFAULT FOR ENDORSEMENTS WITH SFHA ZONES DUE TO PROPERTY PURCHASED.

FAIL EDIT
UPDATE ACTION: UPDATE

DESCRIPTION:

IF WYO TRANSACTION CODE IS '20A' (POLICY ENDORSEMENTS) AND
ENDORSEMENT EFFECTIVE DATE IS ON OR AFTER 10/01/2013 AND
POLICY ASSIGNMENT TYPE IS 'P' AND
PROPERTY PURCHASE DATE IS ON OR AFTER 07/06/2012 AND
POST-FIRM CONSTRUCTION INDICATOR IS 'N' AND
RISK RATING METHOD IS 'B' OR 'W' AND
FLOOD RISK ZONE IS SFHA (A01-A30, AE, VE, V01-V30, AO, AH, AOB, AHB, OR UNNUMBERED 'A')

THEN ELEVATION DIFFERENCE MUST BE A NUMERIC OTHER THAN THE DEFAULT (+999).

NOTE:
THE ELEVATION DIFFERENCE CAN BE REPORTED WITH DEFAULT VALUE +999 IF THE RISK RATING METHOD IS '2' OR '8'.

EDIT DICTIONARY

DATA ELEMENT: ELEVATION DIFFERENCE

EDIT CRITERIA

ORDER: 95

EFFECTIVE: 10/01/2013 REVISED: CANCELLED: 10/01/2013

EDIT LEVEL: EDIT PROCESSOR PROGRAM EDIT TYPE: RELATIONAL

ERROR CODE: PL036095 ERROR TYPE: CRITICAL

ERROR MESSAGE: ELEVATION DIFFERENCE MAY NOT BE THE DEFAULT FOR ENDORSEMENTS WITH UNNUMBERED 'A' ZONE DUE TO PROPERTY PURCHASED.

FAIL EDIT
UPDATE ACTION: UPDATE

DESCRIPTION:

IF WYO TRANSACTION CODE IS '20A' (POLICY ENDORSEMENT) AND
ENDORSEMENT EFFECTIVE DATE IS ON OR AFTER 10/01/2013 AND
POLICY ASSIGNMENT TYPE IS 'P' AND
PROPERTY PURCHASE DATE IS ON OR AFTER 07/06/2012 AND
POST-FIRM CONSTRUCTION INDICATOR IS 'Y' AND
RISK RATING METHOD IS '1' AND
FLOOD RISK ZONE IS UNNUMBERED 'A',

THEN ELEVATION DIFFERENCE MUST BE NUMERIC OTHER THAN THE DEFAULT (+999).

NOTE:
THE ELEVATION DIFFERENCE CAN BE REPORTED WITH DEFAULT VALUE +999 IF THE RISK RATING METHOD IS '8'.

EDIT DICTIONARY

DATA ELEMENT: POLICY NUMBER

EDIT CRITERIA

ORDER: 180

EFFECTIVE: 10/01/2013 REVISED: CANCELLED: 10/01/2013

EDIT LEVEL: EDIT PROCESSOR PROGRAM EDIT TYPE: RELATIONAL

ERROR CODE: PL004180 ERROR TYPE: CRITICAL

ERROR MESSAGE: POLICY WITH SUBSIDIZED RATES NO LONGER ELIGIBLE FOR SUBSIDIZED RATES DUE TO LAPSE IN COVERAGE.

FAIL EDIT
UPDATE ACTION: UPDATE

DESCRIPTION:

IF THE FOLLOWING ARE ALL TRUE, POLICY IS RECEIVING PRE-FIRM SUBSIDIZED RATES SUBJECT TO THE BW-12 SECTION 205 PROVISIONS:

POST-FIRM CONSTRUCTION INDICATOR IS 'N'

ELEVATION DIFFERENCE IS +999 (DEFAULT)

FLOOD RISK ZONE IS 'A' UNNUMBERED, AE, A01-A30, AH, AO, AHB, AOB, AR, AR DUAL, 'V' UNNUMBERED, VE, V01-V30, OR D

EDIT DICTIONARY

DATA ELEMENT: POLICY NUMBER

EDIT CRITERIA

ORDER: 190

EFFECTIVE: 10/01/2013 REVISED: CANCELLED: 10/01/2013

EDIT LEVEL: EDIT PROCESSOR PROGRAM EDIT TYPE: RELATIONAL

ERROR CODE: PL004190 ERROR TYPE: CRITICAL

ERROR MESSAGE: POLICY CANNOT BE RATED WITH PRE-FIRM SUBSIDIZED RATES
DUE TO PROPERTY PURCHASE DATE.

FAIL EDIT
UPDATE ACTION: UPDATE

DESCRIPTION:

IF THE FOLLOWING ARE ALL TRUE, POLICY CANNOT RECEIVE
PRE-FIRM SUBSIDIZED RATES SUBJECT TO THE BW-12 SECTION 205 PROVISIONS:

POST-FIRM CONSTRUCTION INDICATOR IS 'N'

ELEVATION DIFFERENCE IS +999 (DEFAULT)

FLOOD RISK ZONE IS 'A' UNNUMBERED, AE, A01-A30, AH,
AO, AHB, AOB, AR, AR DUAL, 'V' UNNUMBERED, VE, V01-V30 OR D

PROPERTY PURCHASE DATE IS AFTER 07/06/2012

EDIT DICTIONARY

DATA ELEMENT: RISK RATING METHOD

EDIT CRITERIA

ORDER: 130

EFFECTIVE: 10/01/2013 REVISED: 10/01/2013 CANCELLED: 10/01/2013

EDIT LEVEL: EDIT PROCESSOR PROGRAM EDIT TYPE: RELATIONAL

ERROR CODE: PL041130 ERROR TYPE: CRITICAL

ERROR MESSAGE: RISK RATING METHOD IS INVALID FOR THIS POLICY.

FAIL EDIT
UPDATE ACTION: UPDATE

DESCRIPTION:

IF WYO TRANSACTION IS '17A' (RENEWAL) AND
POLICY EFFECTIVE DATE IS ON OR AFTER 10/01/2013 AND
POST-FIRM CONSTRUCTION INDICATOR IS 'N' AND
FLOOD RISK ZONE IS 'D' OR 'UNNUMBERED V' AND
POLICY EFFECTIVE DATE IS MORE THAN 1 DAY AFTER THE
POLICY EXPIRATION DATE OF THE PRIOR TERM (LAPSE IN
COVERAGE),

THEN RISK RATING METHOD MUST BE 'B', 'W' OR '2'.

IF WYO TRANSACTION CODE IS '20A' (POLICY ENDORSEMENT) AND
ENDORSEMENT EFFECTIVE DATE IS ON OR AFTER 10/01/2013 AND
POLICY ASSIGNMENT TYPE IS 'P' AND
PROPERTY PURCHASE DATE IS ON OR AFTER 07/06/2012 AND
POST-FIRM CONSTRUCTION INDICATOR IS 'N' AND
FLOOD RISK ZONE IS 'D' OR 'UNNUMBERED V',

THEN RISK RATING METHOD MUST BE 'B', 'W' OR '2'.

IF THE RISK RATING METHOD IS 'B' OR 'W', ALL OF THE
FOLLOWING MUST BE TRUE:

1. POLICY EFFECTIVE DATE IS ON OR AFTER 07/06/2012
2. POST FIRM CONSTRUCTION INDICATOR IS 'N'
3. FLOOD RISK ZONE IS UNNUMBERED 'A', AE, A01-A30, AH, AO,
   AHB, AOB, VE, V01-V30
4. ELEVATION DIFFERENCE IS NOT THE DEFAULT VALUE (+999)
5. IF FLOOD RISK ZONE IS 'D' OR 'UNNUMBERED V', ELEVATION
   DIFFERENCE DEFAULT VALUE (+999) IS ALLOWED

IF THE RISK RATING METHOD IS 'E', ALL OF THE FOLLOWING
MUST BE TRUE:

1. POLICY EFFECTIVE DATE IS ON OR AFTER 07/06/2012

2. POST FIRM CONSTRUCTION INDICATOR IS 'N'