



FEMA

W-14003

January 31, 2014

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

FROM: Dennis Kuhns *Donnie Shepard*
Division Director
Risk Insurance Division

SUBJECT: Addendum 2 to the June 1, 2014, Program Changes

The purpose of this memorandum is to provide updated information for the June 1, 2014, Program Changes bulletin (W-13070) and its Addendum (W-14001). This second Addendum provides a revised Table 8B – Deductible Factors, with additional deductible options for single-family- and 2–4 family buildings with both Coverage A and Coverage B (building and contents).

Please use this updated information when processing your system changes effective June 1, 2014.

Revisions to the Transaction Record Reporting and Processing (TRRP) Plan and Edit Specifications Manual supporting the June 1, 2014, Program changes will be provided separately.

If you have any questions, please contact the iService Underwriting Department at underwriting@nfip-iservice.com.

Attachment

cc: Vendors, IBHS, FIPNC, Government Technical Representative

Suggested Routing: Data Processing, Marketing, Underwriting

TABLE 8B. DEDUCTIBLE FACTORS^{1, 2, 3}

Single-Family and 2-4 Family Building and Contents Policies⁴

DEDUCTIBLE OPTIONS: Building/Contents	PRE-/POST-FIRM Full Risk	PRE-FIRM Subsidized	DEDUCTIBLE OPTIONS: Building/Contents	PRE-/POST-FIRM Full Risk	PRE-FIRM Subsidized
\$1,000/\$1,000	1.000 ⁵	N/A	\$3,000/\$3,000	.850	.925
\$1,250/\$1,000	.995 ⁵	N/A	\$4,000/\$1,000	.925 ⁵	N/A
\$1,250/\$1,250	.980	N/A	\$4,000/\$1,250	.915	N/A
\$1,500/\$1,000	.990 ⁵	N/A	\$4,000/\$1,500	.900	.975 ⁵
\$1,500/\$1,250	.975	N/A	\$4,000/\$2,000	.825	.900
\$1,500/\$1,500	.965	1.050 ⁵	\$4,000/\$3,000	.800	.875
\$2,000/\$1,000	.975 ⁵	N/A	\$4,000/\$4,000	.775	.850
\$2,000/\$1,250	.965	N/A	\$5,000/\$1,000	.900 ⁵	N/A
\$2,000/\$1,500	.950	1.040 ⁵	\$5,000/\$1,250	.890	N/A
\$2,000/\$2,000	.925	1.000	\$5,000/\$1,500	.975	.955 ⁵
\$3,000/\$1,000	.950 ⁵	N/A	\$5,000/\$2,000	.800	.875
\$3,000/\$1,250	.940	N/A	\$5,000/\$3,000	.780	.850
\$3,000/\$1,500	.925	1.000 ⁵	\$5,000/\$4,000	.765	.830
\$3,000/\$2,000	.875	.950	\$5,000/\$5,000	.750	.810

Single-Family and 2-4 Family Building-Only or Contents-Only Policies⁴

BUILDING	PRE-/POST-FIRM Full Risk	PRE-FIRM Subsidized	CONTENTS ⁶	PRE-/POST-FIRM Full Risk	PRE-FIRM Subsidized
\$1,000	1.000 ⁵	N/A	\$1,000	1.000	N/A
\$1,250	.985	N/A	\$1,250	.975	N/A
\$1,500	.970	1.040 ⁵	\$1,500	.950	1.050
\$2,000	.935	1.000	\$2,000	.900	1.000
\$3,000	.885	.945	\$3,000	.825	.915
\$4,000	.835	.890	\$4,000	.750	.830
\$5,000	.785	.840	\$5,000	.675	.750

Other Residential and Non-Residential Policies⁷

BUILDING/CONTENTS	DISCOUNT FROM		AMOUNT	BUILDING ONLY		CONTENTS ONLY	
	PRE-/POST-FIRM Full Risk	PRE-FIRM Subsidized		PRE-/POST-FIRM Full Risk	PRE-FIRM Subsidized	PRE-/POST-FIRM Full Risk	PRE-FIRM Subsidized
\$1,000/\$1,000	1.000 ⁵	N/A	\$1,000	1.000 ⁵	N/A	1.000	N/A
\$1,250/\$1,250	.990	N/A	\$1,250	.990	N/A	.990	N/A
\$1,500/\$1,500	.980	1.025 ⁵	\$1,500	.980	1.025 ⁵	.985	1.025
\$2,000/\$2,000	.960	1.000	\$2,000	.960	1.000	.965	1.000
\$3,000/\$3,000	.930	.970	\$3,000	.925	.965	.940	.975
\$4,000/\$4,000	.910	.950	\$4,000	.900	.935	.915	.950
\$5,000/\$5,000	.890	.930	\$5,000	.875	.910	.890	.925
\$10,000/\$10,000 ⁷	.815	.855	\$10,000	.775	.800	.815	.850
\$15,000/\$15,000 ⁷	.765	.800	\$15,000	.700	.725	.740	.775
\$20,000/\$20,000 ⁷	.715	.750	\$20,000	.625	.650	.670	.700
\$25,000/\$25,000 ⁷	.665	.700	\$25,000	.575	.600	.620	.650
\$50,000/\$50,000 ⁷	.565	.600	\$50,000	.475	.500	.550	.575

1 Deductible factors for the RCBAP are located in the Condominiums section of this manual.

2 The ICC Premium is not eligible for the deductible discount.

3 Pre-FIRM/Post-FIRM deductibles apply to all buildings receiving full-risk rates, including Pre-FIRM buildings rated with elevation data, or in the non-SFHA. Pre-FIRM deductibles apply only to policies receiving Pre-FIRM subsidized premium rates.

4 These deductible factors apply to condominium unit owners.

5 Only available if building coverage is \$100,000 or less.

6 These deductible factors apply to residential unit contents in an Other Residential building or in a multi-unit condominium building.

7 Deductibles of \$10,000 to \$50,000 are available only for Non-Residential Policies.