

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**.

For residential properties, the maximum coverage combination is \$250,000 building and \$100,000 contents. Up to \$100,000 contents-only coverage is available.

For non-residential properties, the maximum coverage combination is \$500,000 building and \$500,000 contents. Up to \$500,000 contents-only coverage is available.

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. However, 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. The flood map available at the time of the renewal offer determines a building's continued eligibility for the PRP. (See V. RENEWAL.) NFIP map grandfathering rules do not apply to the PRP.

B. Occupancy

Combined building/contents amounts of insurance are available for owners of all eligible occupancy types—one- to four-family properties (including individual condominium units in condominium buildings), other residential properties, and non-residential properties.

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 within any 10-year period, 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.

In reviewing a building's flood loss history for PRP eligibility, be aware that:

- A flood insurance claim payment (building and/or contents) and a Federal flood disaster relief payment (including loans and grants) for the same loss are considered a single payment.
- Federal flood disaster relief payments (including loans and grants) are considered only if the building sustained flood damage.

THE PRP AT A GLANCE

COVERAGE TYPE	MAXIMUM LIMITS BY OCCUPANCY TYPE		
	1-4 Family	Other Residential	Non-Residential
Combined Building/ Contents	\$250,000/ \$100,000	\$250,000/ \$100,000	\$500,000/ \$500,000
Contents Only	\$100,000	\$100,000	\$500,000

III. INELIGIBILITY

For help in determining eligibility/ineligibility of various condominium risks, use the PRP Condominium Rating Chart on the next page.

- Properties in Special Flood Hazard Areas or in Emergency Program communities are **not eligible** for the PRP.
- Multi-unit residential condominium buildings eligible under the Residential Condominium Building Association Policy are **not eligible** for the PRP.
- Individual residential condominium units in non-residential condominium buildings are **not eligible** for building coverage.
- Individual non-residential condominium units 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.
- Condominium units are not eligible for Increased Cost of Compliance (ICC) coverage.
- Buildings on Leased Federal Property determined by the Administrator 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 **are not eligible** for the PRP.

IV. 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.

V. 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 cannot be renewed as a PRP. It must be nonrenewed or rewritten as a standard rated policy.

Effective May 1, 2008, if there has been a map change during the policy term that may affect the insured property, proof of the property's continued eligibility for the PRP must be provided for the policy to be renewed. See IV. DOCUMENTATION.

VI. COVERAGE LIMITS

The elevated building coverage limitation provisions do not apply to the PRP.

VII. 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.

VIII. DISCOUNTS/FEES/ICC PREMIUM

- No Community Rating System discount is associated with the PRP.
- The \$50.00 Community Probation Surcharge is added, when applicable.
- The Federal Policy Fee of \$20.00 is included in the premium and is not subject to commission.
- The ICC premium of \$6.00 is included.

IX. DEDUCTIBLES

The standard deductible for PRPs is \$1,000 each for building and contents, applied separately. Optional deductibles are not available for PRPs.

PREFERRED RISK POLICY CONDOMINIUM RATING CHART

RESIDENTIAL SINGLE UNIT BUILDING OR TOWNHOUSE/ROWHOUSE TYPE—BUILDING WITH SEPARATE ENTRANCE FOR EACH UNIT

PURCHASER OF POLICY	Building Occupancy ¹¹	Condo Unit Indicator ¹	PRP Eligibility	Rate Table ²	Policy Form
UNIT OWNER	SINGLE FAMILY	Yes	Yes	One- to Four-Family Residential	DWELLING
ASSOCIATION (ASSOCIATION-OWNED SINGLE UNIT ONLY)	SINGLE FAMILY	Yes	Yes	One- to Four-Family Residential	DWELLING
ASSOCIATION (ENTIRE BUILDING)	N/A	N/A	No	N/A	N/A

MULTI-UNIT RESIDENTIAL BUILDING—2 TO 4 UNITS PER BUILDING

PURCHASER OF POLICY	Building Occupancy ¹	Condo Unit Indicator ¹	PRP Eligibility	Rate Table ²	Policy Form
UNIT OWNER	2-4	Yes	Yes	One- to Four-Family Residential	DWELLING
ASSOCIATION (ASSOCIATION-OWNED SINGLE UNIT ONLY)	2-4	Yes	Yes	One- to Four-Family-Residential	DWELLING
ASSOCIATION (ENTIRE BUILDING)	N/A	N/A	No	N/A	N/A

MULTI-UNIT RESIDENTIAL BUILDING—5 OR MORE UNITS PER BUILDING

PURCHASER OF POLICY	Building Occupancy ¹	Condo Unit Indicator ¹	PRP Eligibility	Rate Table ²	Policy Form
UNIT OWNER	OTHER RESIDENTIAL	Yes	Yes	Other Residential	DWELLING
ASSOCIATION (ASSOCIATION-OWNED SINGLE UNIT ONLY)	OTHER RESIDENTIAL	Yes	Yes	Other Residential	DWELLING
ASSOCIATION (ENTIRE BUILDING)	N/A	N/A	No	N/A	N/A

NON-RESIDENTIAL BUILDING

PURCHASER OF POLICY	Building Occupancy ¹	Condo Unit Indicator ¹	PRP Eligibility	Rate Table ²	Policy Form
UNIT OWNER	NON-RESIDENTIAL	Yes (BUILDING COVERAGE NOT AVAILABLE, ONLY CONTENTS)	Yes	Non-Residential Contents Only	GENERAL PROPERTY
UNIT OWNER	SINGLE FAMILY	Yes (BUILDING COVERAGE NOT AVAILABLE, ONLY CONTENTS)	Yes	One- to Four-Family Residential or Other Residential if 5 or more units	DWELLING
ASSOCIATION	NON-RESIDENTIAL	N/A	Yes	Non-Residential Building and Contents	GENERAL PROPERTY

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

²All building rates are based on the lowest floor of the building.

PRP COVERAGES AVAILABLE EFFECTIVE MAY 1, 2010

ONE- TO FOUR-FAMILY RESIDENTIAL BUILDING AND CONTENTS COVERAGE COMBINATIONS^{1, 2, 3}

With Basement or Enclosure ⁵			Without Basement or Enclosure ⁶		
Building	Contents	Premium	Building	Contents	Premium
\$ 20,000	\$ 8,000	\$144	\$ 20,000	\$ 8,000	\$119
\$ 30,000	\$ 12,000	\$175	\$ 30,000	\$ 12,000	\$150
\$ 50,000	\$ 20,000	\$226	\$ 50,000	\$ 20,000	\$201
\$ 75,000	\$ 30,000	\$267	\$ 75,000	\$ 30,000	\$237
\$100,000	\$ 40,000	\$294	\$100,000	\$ 40,000	\$264
\$125,000	\$ 50,000	\$314	\$125,000	\$ 50,000	\$284
\$150,000	\$ 60,000	\$333	\$150,000	\$ 60,000	\$303
\$200,000	\$ 80,000	\$368	\$200,000	\$ 80,000	\$333
\$250,000	\$100,000	\$395	\$250,000	\$100,000	\$355

ALL RESIDENTIAL CONTENTS-ONLY COVERAGE^{1, 2, 4}

Contents Above Ground Level More Than One Floor		All Other Locations (Basement-Only Not Eligible)	
Contents	Premium	Contents	Premium
\$ 8,000	\$ 39	\$ 8,000	\$ 58
\$ 12,000	\$ 55	\$ 12,000	\$ 82
\$ 20,000	\$ 86	\$ 20,000	\$118
\$ 30,000	\$100	\$ 30,000	\$137
\$ 40,000	\$112	\$ 40,000	\$154
\$ 50,000	\$124	\$ 50,000	\$171
\$ 60,000	\$136	\$ 60,000	\$188
\$ 80,000	\$160	\$ 80,000	\$208
\$100,000	\$184	\$100,000	\$228

OTHER RESIDENTIAL BUILDING AND CONTENTS COVERAGE COMBINATIONS^{1, 2, 3}

With Basement or Enclosure⁵

Contents Coverage		\$8,000	\$12,000	\$20,000	\$30,000	\$40,000	\$50,000	\$60,000	\$80,000	\$100,000
Building Coverage	\$ 20,000	\$158	\$172	\$185	\$198	\$210	\$221	\$232	\$242	\$252
	\$ 30,000	\$172	\$186	\$199	\$212	\$224	\$235	\$246	\$256	\$266
	\$ 50,000	\$206	\$220	\$233	\$246	\$258	\$269	\$280	\$290	\$300
	\$ 75,000	\$222	\$236	\$249	\$262	\$274	\$285	\$296	\$306	\$316
	\$100,000	\$244	\$258	\$271	\$284	\$296	\$307	\$318	\$328	\$338
	\$125,000	\$251	\$265	\$278	\$291	\$303	\$314	\$325	\$335	\$345
	\$150,000	\$256	\$270	\$283	\$296	\$308	\$319	\$330	\$340	\$350
	\$200,000	\$287	\$301	\$314	\$327	\$339	\$350	\$361	\$371	\$381
	\$250,000	\$304	\$318	\$331	\$344	\$356	\$367	\$378	\$388	\$398

OTHER RESIDENTIAL BUILDING AND CONTENTS COVERAGE COMBINATIONS^{1, 2, 3}

Without Basement or Enclosure⁶

Contents Coverage		\$8,000	\$12,000	\$20,000	\$30,000	\$40,000	\$50,000	\$60,000	\$80,000	\$100,000
Building Coverage	\$ 20,000	\$130	\$142	\$153	\$164	\$174	\$184	\$193	\$202	\$210
	\$ 30,000	\$148	\$159	\$170	\$181	\$191	\$201	\$210	\$219	\$227
	\$ 50,000	\$183	\$194	\$205	\$216	\$226	\$236	\$245	\$254	\$262
	\$ 75,000	\$203	\$214	\$225	\$235	\$245	\$255	\$264	\$273	\$281
	\$100,000	\$221	\$232	\$243	\$253	\$263	\$273	\$282	\$291	\$299
	\$125,000	\$230	\$241	\$252	\$262	\$272	\$281	\$290	\$299	\$307
	\$150,000	\$237	\$248	\$259	\$269	\$279	\$288	\$297	\$306	\$314
	\$200,000	\$265	\$276	\$287	\$297	\$307	\$316	\$325	\$333	\$341
	\$250,000	\$280	\$291	\$302	\$312	\$322	\$331	\$340	\$348	\$356

¹Add the \$50.00 Probation Surcharge, if applicable.

²Premium includes Federal Policy Fee of \$20.00.

³Premium includes ICC premium of \$6.00. Deduct this amount if the risk is a condominium unit.

⁴Use this "All Residential Contents-Only Coverage" premium table for individual residential condominium unit contents-only policies.

⁵Do not use this section of the table for buildings with crawlspaces or subgrade crawlspaces. See footnote 6.

⁶Use this section of the table for buildings with crawlspaces or subgrade crawlspaces.

PRP COVERAGES AVAILABLE EFFECTIVE MAY 1, 2010 (cont'd.)

NON-RESIDENTIAL BUILDING AND CONTENTS COVERAGE COMBINATIONS^{1, 2, 3}
With Basement or Enclosure⁴

Contents Coverage		\$50,000	\$100,000	\$150,000	\$200,000	\$250,000	\$300,000	\$350,000	\$400,000	\$450,000	\$500,000
Building Coverage	\$ 50,000	\$ 887	\$1,146	\$1,394	\$1,630	\$1,855	\$2,069	\$2,272	\$2,463	\$2,643	\$2,812
	\$100,000	\$1,261	\$1,520	\$1,767	\$2,003	\$2,228	\$2,442	\$2,645	\$2,836	\$3,016	\$3,185
	\$150,000	\$1,536	\$1,795	\$2,042	\$2,278	\$2,503	\$2,717	\$2,920	\$3,111	\$3,291	\$3,460
	\$200,000	\$1,685	\$1,944	\$2,191	\$2,427	\$2,652	\$2,866	\$3,069	\$3,260	\$3,440	\$3,609
	\$250,000	\$1,790	\$2,049	\$2,296	\$2,532	\$2,757	\$2,971	\$3,174	\$3,365	\$3,545	\$3,714
	\$300,000	\$1,906	\$2,165	\$2,412	\$2,648	\$2,873	\$3,087	\$3,290	\$3,481	\$3,661	\$3,830
	\$350,000	\$2,034	\$2,293	\$2,540	\$2,776	\$3,001	\$3,215	\$3,417	\$3,608	\$3,788	\$3,957
	\$400,000	\$2,118	\$2,377	\$2,624	\$2,860	\$3,085	\$3,299	\$3,501	\$3,692	\$3,872	\$4,041
	\$450,000	\$2,214	\$2,473	\$2,720	\$2,956	\$3,181	\$3,395	\$3,597	\$3,788	\$3,968	\$4,137
	\$500,000	\$2,319	\$2,578	\$2,825	\$3,061	\$3,286	\$3,500	\$3,702	\$3,893	\$4,073	\$4,242

NON-RESIDENTIAL BUILDING AND CONTENTS COVERAGE COMBINATIONS^{1, 2, 3}
Without Basement or Enclosure⁵

Contents Coverage		\$50,000	\$100,000	\$150,000	\$200,000	\$250,000	\$300,000	\$350,000	\$400,000	\$450,000	\$500,000
Building Coverage	\$ 50,000	\$ 557	\$ 695	\$ 827	\$ 953	\$1,073	\$1,187	\$1,295	\$1,397	\$1,493	\$1,583
	\$100,000	\$ 749	\$ 887	\$1,019	\$1,145	\$1,265	\$1,379	\$1,487	\$1,589	\$1,685	\$1,775
	\$150,000	\$ 892	\$1,030	\$1,162	\$1,288	\$1,408	\$1,522	\$1,630	\$1,732	\$1,828	\$1,918
	\$200,000	\$1,041	\$1,179	\$1,311	\$1,437	\$1,557	\$1,671	\$1,779	\$1,881	\$1,977	\$2,067
	\$250,000	\$1,141	\$1,279	\$1,411	\$1,537	\$1,657	\$1,771	\$1,879	\$1,981	\$2,077	\$2,167
	\$300,000	\$1,247	\$1,385	\$1,517	\$1,643	\$1,763	\$1,877	\$1,985	\$2,087	\$2,183	\$2,273
	\$350,000	\$1,304	\$1,442	\$1,574	\$1,700	\$1,820	\$1,934	\$2,042	\$2,144	\$2,240	\$2,330
	\$400,000	\$1,367	\$1,505	\$1,637	\$1,763	\$1,883	\$1,997	\$2,105	\$2,207	\$2,303	\$2,393
	\$450,000	\$1,436	\$1,574	\$1,706	\$1,832	\$1,952	\$2,066	\$2,174	\$2,276	\$2,372	\$2,462
	\$500,000	\$1,511	\$1,649	\$1,781	\$1,907	\$2,027	\$2,141	\$2,249	\$2,351	\$2,447	\$2,537

NON-RESIDENTIAL CONTENTS-ONLY COVERAGE^{1, 2}

Contents Above Ground Level More Than One Floor		All Other Locations (Basement-Only Not Eligible)	
Contents	Premium	Contents	Premium
\$ 50,000	\$152	\$ 50,000	\$ 337
\$100,000	\$227	\$100,000	\$ 507
\$150,000	\$302	\$150,000	\$ 677
\$200,000	\$377	\$200,000	\$ 847
\$250,000	\$452	\$250,000	\$1,017
\$300,000	\$527	\$300,000	\$1,187
\$350,000	\$602	\$350,000	\$1,357
\$400,000	\$677	\$400,000	\$1,527
\$450,000	\$752	\$450,000	\$1,697
\$500,000	\$827	\$500,000	\$1,867

¹Add the \$50.00 Probation Surcharge, if applicable.

²Premium includes Federal Policy Fee of \$20.00.

³Premium includes ICC premium of \$6.00. Deduct this amount if the risk is a condominium unit.

⁴Do not use this section of the table for buildings with crawlspaces or subgrade crawlspaces. See footnote 5.

⁵Use this section of the table for buildings with crawlspaces or subgrade crawlspaces.

X. 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.

XI. 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.

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.

XII. 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.

XIII. 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 PRP eligibility requirements.

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. If new coverage is desired, the policy should be endorsed with a 30-day waiting period applied.

XIV. 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. Above these dates, check the appropriate box to indicate whether the waiting period is STANDARD 30-DAY or LOAN TRANSACTION—NO WAITING. Refer to the General Rules section, pages GR 8-9, 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.

D. Insured's Mailing Address

1. Enter the name, mailing address, city, state, ZIP Code, and telephone 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, Disaster Assistance Number, or Tax I.D. 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.

2. If more than one additional mortgagee or disaster assistance agency exists, provide the requested information on the producer's letterhead.

H. Property Location

1. Check YES if the location of the property being insured is the same as the address entered in the "Insured's Mailing Address" section. Leave the rest of this section blank unless there is more than one building at the property location.
2. If more than one building is at the location of the insured property, use this section to specifically identify the building to be insured. Briefly describe the building or submit a sketch showing the location of insured buildings to assist the NFIP in matching the policy number to the specific building insured.
3. If NO, provide the address or location of the property to be insured.
4. If the insured's mailing address is a post office box or rural route number, give the street address, legal description, or geographic location of the property.

I. Community

1. Enter the name of the county or parish where the property is located.
2. Enter the community identification number, map panel number, and revision suffix for the community where the property is located. Use the FIRM in effect and that has been published at the time of presentment of premium and completion of application. Community number and status may be obtained by calling the writing company, consulting a local community official, or referencing the NFIP *Community Status Book* online at www.fema.gov/fema/csb.shtm.
3. Enter the Flood Insurance Rate Map zone.
4. Identify the information source.
5. Check YES if the building is located on federal land; otherwise, check NO.

NOTE: If the property is federally leased, refer to the Leased Federal Property Section for guidance.

J. Building and Contents

Complete all required information in this section.

1. Check building occupancy: Single Family, 2-4 Family, Other Residential, or Non-Residential (incl. Hotel/Motel).
2. Enter date of construction.
3. Check building type. If the building has a basement, enclosure, crawlspace, or subgrade crawlspace, count the basement, enclosure, crawlspace, or subgrade crawlspace as a floor. If the building type is a manufactured (mobile) home/travel trailer on foundation, enter the make, model, and serial number in the block at the bottom of this section.
4. Check YES, if the building is under a Condominium Form of Ownership; otherwise check NO. (A homeowners association [HOA] may differ from a condominium form of ownership.)
5. Check location of building's contents. (Contents located entirely in a basement are not eligible for contents-only coverage.)
6. Check YES if the building is the insured's principal residence; otherwise, check NO.
7. Using normal company practice, estimate the replacement cost value and enter the value in the space provided. Include the cost of the building foundation when determining the replacement cost value.
8. Indicate whether the building has a Basement, Enclosure, Crawlspace, or Subgrade Crawlspace.

K. Notice

If the answer to either question A or question B is YES, this risk is not eligible for the Preferred Risk Policy.

L. Premium

1. Enter the coverage selected, and the premium, from the appropriate table on pages PRP 4-5.
2. Add the \$50.00 Probation Surcharge, if applicable. Deduct \$6.00 if this is an application for a condominium unit.

M. Signature

The producer must sign the Preferred Risk Policy Application and is responsible for the completeness and accuracy of the information provided on it. Enter the date of application (month/day/year). The waiting period is added to this date to determine the policy effective date of the policy listed in the Policy Term section. A check or money order for the Total Prepaid Amount, payable to the NFIP, must accompany the application.

Electronics transactions are permitted if the business process includes authentication of signatures and dates of receipt of premium. WYO companies are responsible for determining the business practices and transaction authentication methods they will use to ensure the security and integrity of such transactions.

A credit card payment by VISA, MasterCard, or American Express will also be acceptable if a disclaimer form, signed by the insured, is submitted with the Preferred Risk Policy Application. The disclaimer will state that cancellation of a policy due to a billing dispute will be permitted only for a billing error or fraud. If the credit card information is taken over the telephone by the producer, the producer may sign the authorization form on behalf of the payor only after having read the disclaimer to the payor.

THIS LAYOUT OF THE REVISED PREFERRED RISK POLICY APPLICATION IS PROVIDED FOR YOUR REFERENCE.
THE FINAL FORM IS AWAITING OMB APPROVAL AND NOT YET AVAILABLE.

☐ NEW CURRENT POLICY NUMBER _____
☐ RENEWAL _____
IF NEW, LEAVE BLANK

IMPORTANT - PLEASE PRINT OR TYPE

POLICY TERM	DIRECT BILL INSTRUCTIONS: <input type="checkbox"/> BILL INSURED <input type="checkbox"/> BILL FIRST MORTGAGEE <input type="checkbox"/> BILL SECOND MORTGAGEE <input type="checkbox"/> BILL LOSS PAYEE <input type="checkbox"/> BILL OTHER		WAITING PERIOD: <input type="checkbox"/> STANDARD 30-DAY <input type="checkbox"/> LOAN TRANSACTION - NO WAITING		
	POLICY PERIOD IS FROM _____ TO _____ 12:01 A.M. LOCAL TIME AT THE INSURED PROPERTY LOCATION				
AGENT INFORMATION	NAME, ADDRESS, TELEPHONE NO., AND FAX NO. OF LICENSED PROPERTY OR CASUALTY INSURANCE AGENT OR BROKER: _____ _____ _____ AGENCY NO.: _____ AGENT'S TAX ID _____		INSURED'S MAILING ADDRESS _____ _____ _____ _____ _____	NAME, TELEPHONE NUMBER AND MAILING ADDRESS OF INSURED: _____ _____ _____ _____ _____	
DISASTER ASSISTANCE	IS INSURANCE REQUIRED FOR DISASTER ASSISTANCE? YES <input checked="" type="checkbox"/> NO <input type="checkbox"/> IF YES, CHECK THE GOVERNMENT AGENCY: <input type="checkbox"/> SBA <input type="checkbox"/> FHA <input type="checkbox"/> FEMA <input type="checkbox"/> OTHER (SPECIFY) : _____ CASE FILE NUMBER _____		IF SECOND MORTGAGEE, LOSS PAYEE OR OTHER IS TO BE BILLED, THE FOLLOWING MUST BE COMPLETED, INCLUDING THE NAME, TELEPHONE NO., FAX NO., AND ADDRESS. <input type="checkbox"/> 2ND MORTGAGEE <input type="checkbox"/> DISASTER AGENCY, SPECIFY _____ <input type="checkbox"/> LOSS PAYEE <input type="checkbox"/> IF OTHER (SPECIFY) _____ _____ _____ _____		
FIRST MORTGAGEE	NAME, TELEPHONE NO., FAX NO., AND ADDRESS OF FIRST MORTGAGEE INCLUDING LOAN NUMBER: _____ _____ _____ LOAN NUMBER _____		LOAN NUMBER _____		
PROPERTY LOCATION	IS INSURED LOCATION SAME AS INSURED MAILING ADDRESS? <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO IF NO, ENTER PROPERTY ADDRESS. IF RURAL, DESCRIBE PROPERTY LOCATION. (DO NOT USE P.O. BOX) _____ _____ _____		NAME OF COUNTY/PARISH _____ COMMUNITY NUMBER AND SUFFIX FOR LOCATION OF PROPERTY INSURED _____ FLOOD INSURANCE RATE MAP ZONE _____ INFORMATION SOURCE: <input type="checkbox"/> COMMUNITY OFFICIAL <input type="checkbox"/> FLOOD MAP <input type="checkbox"/> MORTGAGEE <input type="checkbox"/> OTHER (SPECIFY) _____ IS BUILDING LOCATED ON FEDERAL LAND? YES <input checked="" type="checkbox"/> NO <input type="checkbox"/>		
BUILDING	BUILDING OCCUPANCY: <input type="checkbox"/> SINGLE FAMILY <input type="checkbox"/> 2-4 FAMILY <input type="checkbox"/> OTHER RESIDENTIAL <input type="checkbox"/> NON-RESIDENTIAL (INCL. HOTEL/MOTEL) CONSTRUCTION DATE _____ <input type="checkbox"/> BUILDING PERMIT DATE <input type="checkbox"/> DATE OF CONSTRUCTION <input type="checkbox"/> SUBSTANTIAL IMPR. DATE <input type="checkbox"/> MANUFACTURED (MOBILE) HOMES / TRAVEL TRAILERS LOCATED OUTSIDE A MOBILE HOME PARK OR SUBDIVISION: DATE OF PERMANENT PLACEMENT		INSURED'S PRINCIPAL RESIDENCE? <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO BUILDING TYPE (INCLUDING BASEMENT/ENCLOSURE): <input type="checkbox"/> ONE FLOOR <input type="checkbox"/> SPLIT LEVEL <input type="checkbox"/> TWO FLOORS <input type="checkbox"/> THREE OR MORE FLOORS <input type="checkbox"/> MANUFACTURED (MOBILE) HOME/TRAVEL TRAILER ON FOUNDATION CONDO FORM OF OWNERSHIP <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO COVERAGE FOR CONDO UNIT <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO TOWNHOUSE/ROWHOUSE CONDO UNIT <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO CONTENTS LOCATED IN: <input type="checkbox"/> ENCLOSURE ONLY (BASEMENT ONLY NOT ELIGIBLE) <input type="checkbox"/> BASEMENT/ENCLOSURE AND ABOVE <input type="checkbox"/> LOWEST FLOOR ONLY ABOVE GROUND LEVEL <input type="checkbox"/> LOWEST FLOOR ABOVE GROUND LEVEL AND HIGHER FLOORS <input type="checkbox"/> ABOVE GROUND LEVEL MORE THAN ONE FULL FLOOR ESTIMATED REPLACEMENT COST AMOUNT \$ _____ BUILDING USE: <input type="checkbox"/> MAIN HOUSE/BUILDING <input type="checkbox"/> DETACHED GUEST HOUSE <input type="checkbox"/> DETACHED GARAGE <input type="checkbox"/> AGRICULTURAL BUILDING <input type="checkbox"/> WAREHOUSE <input type="checkbox"/> POOLHOUSE, CLUBHOUSE, REC. BLDG <input type="checkbox"/> TOOL/STORAGE SHED <input type="checkbox"/> OTHER: _____		
	BASEMENT, ENCLOSURE, CRAWLSPACE <input type="checkbox"/> NONE <input type="checkbox"/> FINISHED BASEMENT/ENCLOSURE <input type="checkbox"/> UNFINISHED BASEMENT/ENCLOSURE <input type="checkbox"/> CRAWLSPACE <input type="checkbox"/> SUBGRADE CRAWLSPACE				
MAKE, MODEL AND SERIAL NUMBER OF MANUFACTURED (MOBILE) HOME/TRAVEL TRAILER _____					
NOTICE	THE FOLLOWING CONDITIONS SHOULD BE USED TO DETERMINE A BUILDING'S ELIGIBILITY FOR A PRP. A) IS THE BUILDING LOCATED IN A SPECIAL FLOOD HAZARD AREA ON A FLOOD HAZARD BOUNDARY MAP, OR ON A FLOOD INSURANCE RATE MAP ZONE A, AE, A1-A30, AO, AH, A99, V, VE, V1-V30, AR, AR DUAL ZONE S AR/AE, AR/AH, AR/AO, AR/A1-A30, AR/A? <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO B) DO ANY OF THESE CONDITIONS, ARISING FROM ONE OR MORE OCCURRENCES IN ANY 10 - YEAR PERIOD, EXIST? 2 LOSS PAYMENTS, EACH MORE THAN \$1,000 <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO 3 OR MORE LOSS PAYMENTS, REGARDLESS OF AMOUNT <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO 2 FEDERAL DISASTER RELIEF PAYMENTS, EACH MORE THAN \$1,000 <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO 3 FEDERAL DISASTER RELIEF PAYMENTS, REGARDLESS OF AMOUNT <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO 1 FLOOD INSURANCE CLAIM PAYMENT AND 1 FLOOD DISASTER RELIEF PAYMENT (INCLUDING LOANS AND GRANTS), EACH MORE THAN \$1,000. <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO INSURANCE IS AVAILABLE UNDER THIS APPLICATION ONLY IF THE ANSWERS TO THESE QUESTIONS ARE NO.		ENTER SELECTED OPTION FROM THE PREMIUM TABLES IN THE FLOOD INSURANCE MANUAL. BUILDING AND CONTENTS COVERAGE COMBINATION BUILDING: \$ _____ CONTENTS: \$ _____ PREMIUM: \$ _____ CONTENTS-ONLY COVERAGE AMOUNT: \$ _____ PREMIUM: \$ _____		
SIGNATURE	(ONE BUILDING PER POLICY - BLANKET COVERAGE NOT PERMITTED)				
	THE ABOVE STATEMENTS ARE CORRECT TO THE BEST OF MY KNOWLEDGE. THE PROPERTY OWNER AND 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/YYYY)				

N F I P C O P Y

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