

# 4. How to Endorse

## I. General Information

An endorsement is a change or correction to an existing NFIP policy.

The General Change Endorsement form cannot be used to:

- Renew a policy;
- Extend or change a policy year; or
- Change the effective date of the policy.

## II. Endorsement Process

Agents must submit a General Change Endorsement form or a similar request to the insurer to endorse a policy. A copy of the form is located in Appendix B.

Examples of premium-bearing endorsements:

- Increasing, adding, reducing, or removing coverage amounts.
- Changing a building description.
- Adjusting rates.
- Revising maps.
- Correcting a misrated policy.
- Changing Primary Residence status.

Examples of non-premium endorsements:

- Changing a mortgagee.
- Changing the mailing address.
- Changing insured information.
- **Changing the agent of record.**
- Assigning the policy.

## III. Changing the Amount of Coverage

### A. Adding or Increasing Coverage

Insureds may add or increase coverage on their policy any time during the policy term. Insurers must calculate the additional premium pro rata using the rates in effect as of the policy effective date for the balance of the policy term or the rate in effect as of the endorsement effective date, in accordance with each insurer's standard business practice. Insurers must receive the full additional premium prior to processing endorsements to add or increase coverage.

#### 1. Waiting Periods

The NFIP applies a 30-day waiting period, a 1-day waiting period, or no waiting period for endorsements that add or increase coverage, depending on the circumstances of the endorsement as described in III.A.1a, b, and c.

Waiting period determinations may differ for submissions sent via certified mail. The term certified mail extends to certified mail sent via the U.S. Postal

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Service or reputable third-party delivery services that provide proof of the actual mailing and delivery date to the insurer.

The insurer may not use the receipt date of an invalid payment to determine the effective date of a policy transaction (endorsement).

A payment is invalid if there are non-sufficient funds (NSF) in the account, a successfully completed reversal (dispute) of an electronic payment, or the payment is non-negotiable for any other reason.

Upon notification that the payment is invalid, the insurer must:

- Cancel/nullify the transaction associated with that payment; *and*
- Send notification of the cancellation/nullification to the insured, agent, and lender(s), if applicable.

If the insurer receives a new payment, the insurer must process the transaction based on the new premium receipt date. The insurer must determine the effective date of the transaction based on the new payment receipt date, subject to the effective date rules.

**Note:** A new endorsement request is not required for this transaction as long as the insurer still has the original request.

### a. 30-Day Waiting Period

A 30-day waiting period applies to endorsements that add or increase coverage not associated with a loan transaction (i.e., making, extending, increasing, or renewing a loan).

**Table 1** shows how to determine the effective date of an endorsement with a 30-day waiting period.

**Table 1. Endorsement Effective Date with a 30-day Waiting Period**

RECEIPT DATE	EFFECTIVE DATE
If the insurer receives the endorsement and payment <b>within</b> 10 calendar days from the endorsement request date (endorsement request date plus 9 days).	The effective date will be 12:01 a.m. (local time) on the 30th calendar day after the <b>endorsement request date</b>
If the endorsement request and payment <b>are mailed by</b> certified mail <b>within 4 calendar</b> days from the endorsement request date (endorsement request date plus 3 days) <b>regardless of when the insurer receives them.</b>	The effective date will be 12:01 a.m. (local time) on the 30th calendar day after the <b>endorsement request date</b>
If the insurer receives the endorsement request and payment <b>after</b> 10 or more calendar days from the endorsement request date (endorsement request date plus 9 days) <b>and the endorsement request and payment were NOT mailed by certified mail within 4 calendar days from the endorsement request date (endorsement request date plus 3 days).</b>	The effective date will be 12:01 a.m. (local time) on the 30th calendar day after the <b>insurer's receipt date</b>

### b. 1-Day Waiting Period

A 1-day waiting period applies when the NFIP revises a Flood Hazard Boundary Map (FHBM) or a Flood Insurance Rate Map (FIRM) showing that the building is now in the Special Flood Hazard Area (SFHA) where it was not previously. To

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qualify for the 1-day waiting period, the insurer must receive the endorsement request and payment within 13 months from the effective date of the map revision. If the insurer receives the endorsement request and payment after 13 months from the effective date of the map revision, the 30-day waiting period applies. The 1-day waiting period rule applies for all buildings, including those owned by condominium associations.

**Table 2** shows how to determine the effective date of an endorsement with a 1-day waiting period.

**Table 2. Endorsement Effective Date with a 1-day Waiting Period**

RECEIPT DATE	EFFECTIVE DATE
The insurer receives the endorsement and payment <b>within</b> 10 calendar days from the endorsement request date (endorsement request date plus 9 days).	The effective date will be 12:01 a.m. (local time) on the next calendar day after the <b>endorsement request date</b> .
If the endorsement request and payment <b>are mailed</b> by certified mail <b>within</b> 4 calendar days from the endorsement request date (endorsement request date plus 3 days) <b>regardless of when the insurer receives them</b> .	The effective date will be 12:01 a.m. (local time) on the next calendar day after the <b>endorsement request date</b> .
If the insurer receives the endorsement request and payment <b>after</b> 10 or more calendar days from the endorsement request date (endorsement request date plus 9 days) and <b>the endorsement request and payment were NOT mailed by certified mail within 4 calendar days from the endorsement request date (endorsement request date plus 3 days)</b> .	The effective date will be 12:01 a.m. (local time) on the next calendar day after the <b>insurer's receipt date</b> .

### c. No Waiting Period

No waiting period applies to endorsements purchased when making, extending, increasing, or renewing a loan with a federally regulated lender. This includes condominium association endorsements purchased in conjunction with loan transactions in the name of the condominium association.

The insured must request the flood insurance endorsement prior to the closing of the loan transaction. **The 30-day waiting period applies when the insured requests the endorsement after the loan closing.** A valid endorsement request includes all the information necessary to calculate the NFIP policy premium.

The insurer may rely on an agent's representation on the endorsement that there is no waiting period. The insurer must obtain documentation of the loan transaction (such as settlement papers) to validate no waiting period before paying the loss if a loss occurs during the first 30 days of the change in coverage.

**Table 3. Endorsement Effective Date with No Waiting Period**

RECEIPT DATE	EFFECTIVE DATE
<b>If the lender, title company or settlement attorney pays the premium</b>	
If the insured requests the endorsement on or before the loan transaction closing, and the insurer receives the endorsement request and payment <b>within</b> 30 calendar days from the closing (closing date plus 29 days).	The effective date will be on the date of the loan closing.
If the insured requests the endorsement on or before the loan transaction closing, and the insurer receives the endorsement request and payment <b>after</b> 30 or more calendar days from the closing (closing date plus 29 days).	The effective date will be on the <b>insurer's receipt date</b> .
<b>If the insured or other party not listed above pays the premium</b>	
If the insured requests the endorsement on or before the loan transaction closing, and the insurer receives the endorsement request and payment <b>within</b> 10 calendar days from the loan closing (closing date plus 9 days).	The effective date will be on the date of the loan closing.
If the insured requests the endorsement on or before the loan transaction closing, and the insurer receives the endorsement and payment <b>after</b> 10 or more calendar days from the closing (closing date plus 9 days).	The effective date will be on the <b>insurer's receipt date</b> .

### B. Reducing Coverage

#### 1. Reduction in Building Coverage

Insureds may only reduce building coverage to align the coverage amount with the current replacement cost of the insured building or due to the removal of a portion of the building. The effective date of the endorsement cannot be earlier than the day after the occurrence causing the request to reduce coverage. Insurers may not accept a reduction in building coverage endorsement without a valid explanation. For example, a valid explanation would be, "A wing of a building damaged by fire and the building is repaired without the wing."

#### 2. Reduction in Contents Coverage

Insureds may reduce contents coverage only when they sell or remove a portion of the contents, reducing the contents' value to less than the amount insured. Insurers may not accept a contents coverage reduction endorsement without a valid explanation. For example, a valid explanation would be, "Insured moved out of house and a limited amount of insured contents remain at the described location."

### C. Removing Coverage

Insurers may only remove coverage upon the insured's request in the following instances:

- The building or contents are no longer at the described location;
- The insured no longer owns the property;

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- There is more than one NFIP policy with building coverage insuring the same building; or
- Building coverage may be removed while retaining contents coverage for a policy insuring a condominium unit only if there is a Residential Condominium Building Association Policy (RCBAP) in force.

### IV. Rating Endorsements

Insurers should use the current rate tables as of the effective date of a policy or the rate in effect as of the endorsement effective date, in accordance with each insurer's standard business practice to determine the revised premium for coverage changes (i.e., premium-bearing endorsements). Insurers may refund premiums where an endorsement to a policy results in a lowered premium. Insurers may not process refunds for canceled or inactive policies.

#### A. Rate Decreases

Insurers may not revise a policy's premium to account for rate decreases during a policy term. Insurers may adjust premium to account for a rate decrease at renewal if the rate table is in effect as of the effective date of the policy renewal.

#### B. Rating Adjustment

**Table 4** shows how to determine the endorsement effective date when applying a rating adjustment in various situations.

**Table 4. Endorsement Effective Dates for Current Term Rating Adjustments**

RATING ADJUSTMENT	ENDORSEMENT EFFECTIVE DATE
Use of the grandfathering rating procedure for a policy previously not eligible for grandfathering.	The effective date of the current policy term.
Use of FEMA Special Rates (refer to the How to Write section).	The date FEMA provided the rates to the insurer.
Revision of alternative rates (rates used for Pre-FIRM-rated risks where the zone is unknown).	The effective date of the current policy term.
Use of an Elevation Certificate (EC) for Post-FIRM/full-risk rating for a Pre-FIRM building.	The effective date of the current policy term. The insurer applies the valid EC and issues a refund if the rates are more favorable.
Use of an EC on Post-FIRM buildings rated using "Without Certification of Compliance or Elevation Certificate" for zones AO and AH, or "No Elevation Certificate or No BFE" for Unnumbered A Zone.	The effective date of the current policy term.
Use of an updated EC.	The effective date of the current policy term.

#### C. Revision of an Alternative Rating

Insurers may endorse an active policy to reflect the premium based on the known flood zone for a policy rated using alternative rates (when the flood zone was unknown). The endorsement effective date is the effective date of the current policy term.

### Alternative Rating

Insurers must rate policies using Alternative Rating when all of the following conditions apply:

- The building is Pre-FIRM;
- The FIRM flood zone is unknown; *and*
- The building is in a community that has no V Zones.

Insurers can use Alternative Rating for renewal policies in communities that convert from the Emergency Program to the Regular Program when the listed conditions apply.

### D. Map Revision

The insurer may endorse a policy to revise the flood zone or Base Flood Elevation (BFE) when FEMA issues a revised FIRM, Letter of Map Amendment (LOMA), or Letter of Map Revision (LOMR).

The insurer must receive the endorsement request during the policy period; otherwise, no refund is available. Refer to **Table 5** for guidance on the endorsement effective date.

Prior to submitting an endorsement request, an agent must:

- Verify the consistency of the elevation datum on the revised FIRM and the EC used to determine the building elevations.
- Use the Flood Map Status Information Service to verify the LOMA/LOMR applies to the most recent map revision.

#### NOTE

If a LOMA/LOMR results in a less beneficial rate for a policy, it may be eligible for grandfathering. See the heading Eligibility for Grandfathered Rating in the How to Write section.

**Table 5. Endorsement Effective Dates for Map Revisions**

DATE OF MAP REVISION OR AMENDMENT	ENDORSEMENT EFFECTIVE DATE
Revision or amendment became effective during the current policy term.	Use the map revision or LOMA/LOMR date as the endorsement effective date.
Revision or amendment became effective during a previous policy term.	Use the map revision or LOMA/LOMR date as the endorsement effective date, or up to 5 years from the current policy year to the date of the map revision or amendment, whichever date is later.
Revision effective during an expired policy term.	Use the map revision or LOMA/LOMR date as the endorsement effective date, or up to 5 years from the current policy year to the date of the map revision, whichever date is later.

### E. Change in Program Status

Insurers must revise the policy rating to reflect the correct flood zone when a community converts from the Emergency Program to the Regular Program. No premium refund is allowed on premium previously paid.

### F. Change in Community Rating System (CRS) Status

If a community's CRS class changes or a given policy's eligibility for a CRS discount changes midway through a policy term, any resulting adjustment to the CRS discount applies only at the next policy renewal.

### V. Correcting a Misrated Policy

A misrated policy occurs when a policy premium is incorrect because one or more rating characteristics are incorrect.

Rating characteristics used to determine premium include items such as: loss history, building occupancy, building use, primary residency status, physical alteration of the building, replacement cost, community number, Lowest Floor Elevation (LFE) used for rating, flood zone, BFE, and the presence of enclosures, basements, or crawlspaces (including below-grade crawlspaces).

Examples of misrated policies may include but are not limited to:

- A Preferred Risk Policy (PRP) with more than one paid claim that exceeds \$1,000 and renews as a PRP;
- A standard rated policy found to be eligible may be endorsed or rewritten to a PRP (please refer to Cancellation Reason Code 22 in How to Cancel);
- A policy rated based upon the incorrect building occupancy;
- The building's construction date is incorrect;
- The original EC data is mistyped or misinterpreted; or
- The information provided on the application proves to be incorrect by valid documentation.

If the insurer receives the endorsement request for an active policy, and:

- The event that triggered the misrating became effective during the current policy term, use the event date as the endorsement effective date.
- The event that triggered the misrating became effective during a previous policy term, use the event date as the endorsement effective date or up to 5 years from the current policy year to the date of misrating, whichever date is later.

Insurers must include any lapse in coverage when determining the number of years allowed for a premium refund due to a misrating occurrence. The insurer must provide proper documentation. The insurer must reimburse the NFIP for any endorsement-issued refunds exceeding the allowable amount.

Lapses in coverage do not extend the number of policy terms allowed for return premiums.

### VI. Changing Deductibles

Insurers can increase or decrease deductibles during the current policy term and must apply the appropriate premium surcharge or discount.

#### Misrating Does Not Include

##### Map Revisions

Changes due to a revised flood map, LOMA, or LOMR do not cause misratings. Refer to the IV.D Map Revision section for rules related to map change endorsements.

##### Optional Post-FIRM Rates

Changes due to the use of optional Post-FIRM rates are not a misrating. For example, if an insured provides an EC to change the policy to the full-risk rate because it is less expensive than Pre-FIRM subsidized rates, the original policy was not misrated.

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Increased Cost of Compliance (ICC) premium, however, is not eligible for deductible discounts or surcharges. Insurers must add the ICC premium after calculating the revised premium with the modified deductible.

### A. Deductible Increases

Insurers may increase deductibles during the current policy term. The earliest effective date of the increased deductible is the date the insurer receives the endorsement request.

### B. Deductible Decreases

Insurers may **not** decrease deductibles during the current policy term **unless the property has a mortgage and the lender requires a lower deductible**. The earliest effective date of the decreased deductible is:

- 30 days from the date the insurer receives the endorsement request; or
- The date the insurer receives the endorsement request if the lender requests the change in connection with making, increasing, extending, or renewing a loan.

## VII. Duplicate Coverage

The NFIP does not permit duplicate coverage. Insurers may issue one building coverage policy per building.

Only one building policy may remain in force where there is more than one policy with building coverage for the same building. The policy that remains in force must list all building owners as named insureds, and insurers must cancel or remove building coverage on all other policies for that building.

If an insurer determines that the insured(s) did not knowingly create a duplicate policy, the insurer must provide written notice to the insured(s) of duplicate coverage.

The notice must advise the insured(s) of their options to:

- Keep the policy with the **earlier effective date**. The insured may increase coverage up to the coverage limits of the policy with a later effective date. The endorsement effective date for increased coverage is the effective date of the later policy.
- Keep the policy with the **later effective date**. The insured **may** increase coverage up to the coverage limits of the policy with an earlier effective date. The endorsement effective date for increased coverage is the effective date of the later policy.

The insurer may endorse the policy to remove duplicate building coverage for up to 5 years. Refer to the How to Cancel section of this manual for further guidance on cancelling a duplicate policy.

## VIII. Property Address Corrections

Insurers may endorse a policy to correct a property address without FEMA approval but may not insure a different building at the same or another location. If this occurs, the insurer must include documentation substantiating

### Condominium Coverage

Insurers may issue more than one building coverage policy for the same building for condominium association and condominium unit owners. Condominium units, however, shall not receive duplicate coverage or coverage that exceeds the program maximum limits.

Insurers must specify the individual unit insured in the property description for all unit policies.



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this change in the underwriting file. Examples include a typographical error correction, a specific unit number addition, or a U.S. Postal Service address revision. Insureds must purchase a new policy for each additional building identified, and each building must carry insurance.

If a claim is pending, the insurer must obtain authorization from FEMA prior to correcting the address and making a claim payment. The waiver must indicate that the:

- Building description, coverage, and rating elements belong to the building at the address indicated on the correction endorsement; *and*
- Insured has no insurable interest in the building at the incorrect address.

Insurers may not endorse or transfer a flood policy to change the insured building, location, or unit. Examples include relocating to a different unit within the same building, or moving a mobile home/travel trailer to a new location.

### IX. Assignment of a Policy

Insureds may assign policies for insured buildings due to transfers of ownership. Insureds may not assign policies that cover buildings in the course of construction or for contents only. The seller must sign the endorsement assigning the policy on or before the closing date. The insurer must receive the seller's signature and documentation authorizing the assignment.

#### A. Assignment with Building Purchase

The owner/seller of an insured building may assign the flood policy to the purchaser of the insured building. The assignment becomes effective on the date of the ownership transfer.

#### B. Assignment without Building Purchase

The owner of an insured building may assign the flood policy to the new building owner effective on the date of the ownership transfer. Examples include inheritance, gifting, divorce, estate, trust, or foreclosure.

### X. Endorsement Processing Prior to Renewal

#### A. During the Last 90 Days of Policy Term

- The insurer will issue a revised Renewal Notice if the insurer has not processed the renewal premium payment, and the agent submits a General Change Endorsement.
- The payor may pay the premium for the revised Renewal Notice if the insurer has not received the premium for the original Renewal Notice.

#### B. During the Last 75 Days of Policy Term

When the payor *has not* paid the original Renewal Notice premium, the agent must submit:

- A General Change Endorsement for the current policy term.
- An upcoming policy term Renewal Application.

#### US Postal Service address revision (911)

An insurer may endorse a policy to correct a property address due to a US Postal Service address revision (911) without FEMA approval. If this occurs, the insurer must include documentation substantiating the change in the underwriting file.

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The payor must submit a separate premium payment for each transaction. The agent must advise the payor not to pay the original Renewal Notice or related Final Notice if the agent has already submitted a Renewal Application with premium.

If the payor *has* paid the premium for the original Renewal Notice, the agent must:

- Submit the General Change Endorsement and the required additional premium for the renewal policy term.
- Submit a separate General Change Endorsement and the required additional premium for the remainder of the current policy term, if applicable.

The endorsement to increase coverage (up to the inflation factor) will be effective as of the renewal date only when the insurer receives the endorsement and additional premium within the 30-day grace period.

### C. Return Premium Generated from Endorsement Processing

The insurer will calculate return premium using rates in effect on the effective date of the change or the policy effective date in accordance with each insurer's standard business practice. Revise the rate effective from the inception date of the current policy term, provided the inception date is on or after the endorsement date.

The Federal Policy Fee and Probation Surcharge (if applicable) are not subject to calculation of return premiums.

## XI. Completing the General Change Endorsement Form

The agent/insured must provide the policy number, the reason for change, and the endorsement effective date. The agent must only complete the remaining sections associated with the change.

Insurers may accept electronic endorsement submissions. Insurers must determine the business practices and transaction authentication methods they will use to ensure the security and integrity of such transactions.

A signature is required for all endorsements. The insurer must receive a dated General Change Endorsement form or similar document, signed by the insured, whenever there is a request to reduce policy limits, increase the deductible, assign the policy, or change the agent of record.

## XII. Return Premium Processing Procedures

### A. Insurer Processing

Insurers must process the return premium on policy terms for which they are the insurer of record.

**B. NFIP Bureau Processing (Prior-Term Refunds)**

Agents must contact the insurer to determine the handling of return premiums that cover more than 2 years. Some insurers may choose to process return premium requests that cover more than 2 years; other insurers may submit the request and documentation to the NFIP Bureau for processing. The documentation must include the following:

- The insurer’s statistical records or declarations pages for each policy term with evidence of premium payments.
- An endorsement request for each policy term and the premium refund calculation for each insurer policy term.
- For a LOMA, LOMR, or **Letter of Determination Review (LODR)**:
  - A copy of the most recent flood map marked showing the exact location and flood zone of the building.
  - Letter signed and dated by a local community official indicating the exact location and flood zone of the building.
  - EC signed and dated by a surveyor, an engineer, an architect, or a local community official indicating the exact location and flood zone of the building.
  - Flood zone determination certification guaranteeing the accuracy of the information.

Insurers may send requests and documentation to the NFIP Bureau by:

- Mailing to NFIP Service Bureau Underwriting Department; 8400 Corporate Dr., Suite 350; Hyattsville, MD 20785; *or*
- Emailing to: [NFIPUnderwritingMailbox@fema.dhs.gov](mailto:NFIPUnderwritingMailbox@fema.dhs.gov)

The NFIP Bureau will notify insurers of the premium refunded and the Expense Allowance due to the NFIP. The insurers must maintain this documentation as part of their underwriting files. The NFIP Bureau will return rejected refund requests.

**XIII. Endorsement Rating Examples**

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## 4. How To Endorse

### ENDORSEMENT EXAMPLE 1 INCREASING COVERAGE ON A PREFERRED RISK POLICY

- Policy term is August 12, 2020–2021.
- Single Family with basement.
- Property Currently Mapped in Zone X.
- Present coverage: Building \$75,000/ Contents \$30,000.
- Adjusted Premium at policy effective date was \$291. Adjusted Premium includes the multiplier calculation.
- Endorsement effective date is November 11, 2020.
- Coverages added are \$125,000 on the building and \$50,000 on the contents for a total of \$200,000 on the building and \$80,000 on the contents for a total adjusted premium of \$404.
- Rates in effect on the effective date of the policy are to be used in calculating the premiums.
- Add the ICC Premium and calculate the New Premium Subtotal.
- Add the Reserve Fund Amount and calculate the New Premium Subtotal.
- The Premium Previously Paid is \$353 (excluding Probation Surcharge/HFIAA Surcharge/Federal Policy Fee), which is the total current annual premium including ICC Premium and Reserve Fund Assessment.
- Subtract the Premium Previously Paid from the Premium Total to obtain the Difference (should be additional/return premium).
- The difference between these 2 premiums is \$133.
- Prorate the Difference.  
Time period is November 11, 2020, to August 12, 2021;  
Number of days is 274;  
Pro-rata factor is .751

TO INCREASE/DECREASE COVERAGE, COMPLETE SECTIONS A & B. FOR RATE CHANGE, COMPLETE SECTION A ONLY.  
INDICATE THE RATE TABLE USED: \_\_\_\_\_ RISK RATING METHOD:  7 - PRP  R - NEWLY MAPPED

INSURANCE COVERAGE	SECTION A - CURRENT LIMITS			SECTION B - NEW LIMITS			A + B PREMIUM	
	AMOUNT	RATE	PREMIUM	AMOUNT	RATE	PREMIUM		
BUILDING BASIC LIMIT	—	—	—	—	—	—	—	
BUILDING ADDITIONAL LIMIT	—	—	—	—	—	—	—	
CONTENTS BASIC LIMIT	—	—	—	—	—	—	—	
CONTENTS ADDITIONAL LIMIT	—	—	—	—	—	—	—	
FOR PRP AND NEWLY MAPPED ONLY, ENTER LIMITS FROM THE NFIP FLOOD INSURANCE MANUAL	BUILDING	CONTENTS	PREMIUM	BUILDING	CONTENTS	PREMIUM		
	\$75,000	\$30,000	\$291	\$125,000	\$50,000	\$404	\$404	
IF CHANGING AMOUNT OF INSURANCE, ENTER NEW TOTAL AMOUNT BELOW						PAYMENT METHOD: <input type="checkbox"/> CHECK <input type="checkbox"/> CREDIT CARD <input type="checkbox"/> OTHER: _____	SUBTOTAL	\$404
BUILDING COVERAGE			CONTENTS COVERAGE				DEDUCTIBLE DISCOUNT/SURCHARGE	—
BASIC	ADDITIONAL	TOTAL	BASIC	ADDITIONAL	TOTAL		SUBTOTAL	\$404
—	—	\$200,000	—	—	\$80,000		ICC PREMIUM	\$8
IF RETURN PREMIUM, MAIL REFUND TO: <input type="checkbox"/> INSURED <input type="checkbox"/> AGENT/PRODUCER <input type="checkbox"/> PAYOR							SUBTOTAL	\$412
<b>NOTICE:</b> BUILDING COVERAGE BENEFITS – EXCEPT FOR A RESIDENTIAL CONDOMINIUM BUILDING – ARE NOT AVAILABLE IF OTHER NFIP BUILDING COVERAGE HAS BEEN PURCHASED BY THE APPLICANT OR ANY OTHER PARTY FOR THE SAME BUILDING. THE ABOVE STATEMENTS ARE CORRECT TO THE BEST OF MY KNOWLEDGE. I UNDERSTAND THAT ANY FALSE STATEMENTS MAY BE PUNISHABLE BY FINE AND/OR IMPRISONMENT UNDER APPLICABLE FEDERAL LAW. SEE REVERSE SIDE OF COPIES.							CRS PREMIUM DISCOUNT ____ %	—
							SUBTOTAL	\$412
							RESERVE FUND 18 %	\$74
							SUBTOTAL	\$486
							PREMIUM PREVIOUSLY PAID (Excludes Probation Surcharge/Federal Policy Fee)	\$353
							HFIAA SURCHARGE	—
	DIFFERENCE _____ (+/-)	\$133						
	PRO-RATA FACTOR	.751						
	<b>TOTAL AMOUNT DUE (+/-)</b>	<b>\$100</b>						

\_\_\_\_\_  
SIGNATURE OF INSURANCE AGENT/PRODUCER

\_\_\_\_\_/\_\_\_\_\_/\_\_\_\_\_  
DATE (MM/DD/YYYY)

\_\_\_\_\_  
SIGNATURE OF INSURED (IF APPLICABLE)

\_\_\_\_\_/\_\_\_\_\_/\_\_\_\_\_  
DATE (MM/DD/YYYY)

\_\_\_\_\_  
SIGNATURE OF ASSIGNEE (FOR ASSIGNMENT ONLY)

\_\_\_\_\_/\_\_\_\_\_/\_\_\_\_\_  
DATE (MM/DD/YYYY)

**ENDORSEMENT EXAMPLE 2  
INCREASING COVERAGE**

- Policy term is April 4, 2020–2021.
- Single-family dwelling, no basement.
- Pre-FIRM Building.
- Building located in Zone C.
- Present coverage: Building \$35,000 / Contents \$10,000.
- Endorsement is effective on October 10, 2020, to add additional coverage of \$65,000 on the building and \$15,000 on the contents for a total of \$100,000 building coverage and \$25,000 contents coverage.
- Premium rates are: Building 1.11 / .31, Contents 1.71 / .54.
- To increase coverage, complete Sections A and B. Section A is for current coverage. Section B should show the amount of the coverage increase only.
- \$25,000 of the \$60,000 coverage and the \$40,000 additional coverage to be added on the building must be calculated in the “Amount” column under Section B, “Increased/Decreased Coverage Only” (using the applicable rate) to amend the present coverage to the threshold for the Regular Program basic limits.
- \$10,000 of the \$15,000 coverage to be added on the contents must be calculated under the

“Amount” column under Section B, “Increased/Decreased Coverage Only” (using the applicable rate) to amend the present coverage to the threshold for the Regular Program basic limits.

- Add Section A and B premiums to obtain the New Premium Totals.
- Add the New Premium Totals to calculate the Premium Subtotal.
- Add the ICC Premium and calculate the New Premium Subtotal.
- Add the Reserve Fund Amount and calculate the New Premium Subtotal.
- The Premium Previously Paid is \$670 (excluding Probation Surcharge/HFIAA Surcharge/Federal Policy Fee), which is the total current annual premium including ICC Premium and Reserve Fund Assessment.
- Subtract the Premium Previously Paid from the Premium Total to obtain the Difference (should be additional/return premium).
- Prorate the Difference.  
Time period is October 10, 2020, to April 4, 2021;  
Number of days is 176;  
Pro-rata factor is .482

TO INCREASE/DECREASE COVERAGE, COMPLETE SECTIONS A & B. FOR RATE CHANGE, COMPLETE SECTION A ONLY.  
INDICATE THE RATE TABLE USED: \_\_\_\_\_ RISK RATING METHOD:  7 - PRP  R - NEWLY MAPPED

INSURANCE COVERAGE	SECTION A - CURRENT LIMITS			SECTION B - NEW LIMITS			A + B PREMIUM		
	AMOUNT	RATE	PREMIUM	AMOUNT	RATE	PREMIUM			
BUILDING BASIC LIMIT	\$35,000	1.11	\$389	\$25,000	1.11	\$278	\$667		
BUILDING ADDITIONAL LIMIT	—	—	—	\$40,000	.31	\$124	\$124		
CONTENTS BASIC LIMIT	\$10,000	1.71	\$171	\$15,000	1.71	\$257	\$428		
CONTENTS ADDITIONAL LIMIT	—	—	—	—	—	—	—		
FOR PRP AND NEWLY MAPPED ONLY, ENTER LIMITS FROM THE NFIP FLOOD INSURANCE MANUAL	BUILDING	CONTENTS	PREMIUM	BUILDING	CONTENTS	PREMIUM			
	—	—	—	—	—	—	—		
IF CHANGING AMOUNT OF INSURANCE, ENTER NEW TOTAL AMOUNT BELOW									
BUILDING COVERAGE			CONTENTS COVERAGE			PAYMENT METHOD: <input type="checkbox"/> CHECK <input type="checkbox"/> CREDIT CARD <input type="checkbox"/> OTHER: _____	SUBTOTAL	\$1,219	
BASIC	ADDITIONAL	TOTAL	BASIC	ADDITIONAL	TOTAL		DEDUCTIBLE DISCOUNT/SURCHARGE	—	
\$60,000	\$40,000	\$100,000	\$25,000	—	\$25,000		SUBTOTAL	\$1,219	
IF RETURN PREMIUM, MAIL REFUND TO: <input type="checkbox"/> INSURED <input type="checkbox"/> AGENT/PRODUCER <input type="checkbox"/> PAYOR								ICC PREMIUM	\$8
							SUBTOTAL	\$1,227	
							CRS PREMIUM DISCOUNT ____ %	—	
							SUBTOTAL	\$1,227	
							RESERVE FUND 18 %	\$221	
							SUBTOTAL	\$1,448	
							PREMIUM PREVIOUSLY PAID (Excludes Probation Surcharge/Federal Policy Fee)	\$670	
							HFIAA SURCHARGE	—	
							DIFFERENCE _____ (+/-)	\$778	
							PRO-RATA FACTOR	.482	
							<b>TOTAL AMOUNT DUE (+/-)</b>	<b>\$375</b>	

**NOTICE:** BUILDING COVERAGE BENEFITS – EXCEPT FOR A RESIDENTIAL CONDOMINIUM BUILDING – ARE NOT AVAILABLE IF OTHER NFIP BUILDING COVERAGE HAS BEEN PURCHASED BY THE APPLICANT OR ANY OTHER PARTY FOR THE SAME BUILDING. THE ABOVE STATEMENTS ARE CORRECT TO THE BEST OF MY KNOWLEDGE. I UNDERSTAND THAT ANY FALSE STATEMENTS MAY BE PUNISHABLE BY FINE AND/OR IMPRISONMENT UNDER APPLICABLE FEDERAL LAW. SEE REVERSE SIDE OF COPIES.

SIGNATURE OF INSURANCE AGENT/PRODUCER \_\_\_\_\_ DATE (MM/DD/YYYY) \_\_\_\_\_

SIGNATURE OF INSURED (IF APPLICABLE) \_\_\_\_\_ DATE (MM/DD/YYYY) \_\_\_\_\_

SIGNATURE OF ASSIGNEE (FOR ASSIGNMENT ONLY) \_\_\_\_\_ DATE (MM/DD/YYYY) \_\_\_\_\_

## 4. How To Endorse

### ENDORSEMENT EXAMPLE 3 INCREASING COVERAGE AFTER A RATE CHANGE

- Policy term is March 12, **2020–2021**.
- Single-family dwelling, Regular Program.
- 1 floor, no basement.
- Current policy limits: Building \$30,000 / Contents \$8,000.
- Building located in an AE Zone, Post-FIRM.
- Premium rates are: Building **2.13**, Contents **.99**.  
**Note:** The rates used are the rates in effect on the policy effective date.
- Post-FIRM construction with a 0 elevation difference.
- Endorsement effective date is May 9, **2020**.
- The coverages being added are \$15,000 on the building and \$7,000 on contents for a total of \$45,000 building coverage and \$15,000 contents coverage.
- A rate increase takes effect on April 1, **2020**.
- Rates in effect on the effective date of the policy are to be used.
- In Section A, enter the basic limits and rates for building and contents in effect at the beginning of the policy term.
- In Section B, enter the \$15,000 basic building amount, and the applicable rate (**2.13**). (See page END 1, “Addition of Coverage or Increase in Amount

- of Insurance.” Companies are allowed to use either rates in effect at policy inception or rates in effect at endorsement effective date.)
- In Section B, enter the \$7,000 basic contents amount and the applicable rate (**.99**).
- Add Sections A and B premiums to obtain the New Premium Totals.
- Add the New Premium Totals to calculate the Premium Subtotal.
- Add in the ICC Premium and calculate the New Premium Subtotal.
- Add the Reserve Fund Amount and calculate the New Premium Subtotal.
- The Premium Previously Paid is **\$835** (excluding Probation Surcharge/HFIAA Surcharge/Federal Policy Fee), which is the total current annual premium including ICC Premium and Reserve Fund Assessment.
- Subtract the Premium Previously Paid from the Premium Total to obtain the Difference (should be additional/return premium).
- Prorate the Difference.

Time period is May 9, **2020**, to March 12, **2021**;  
Number of days is 307;  
Pro-rata factor is **.841**

TO INCREASE/DECREASE COVERAGE, COMPLETE SECTIONS A & B. FOR RATE CHANGE, COMPLETE SECTION A ONLY.  
INDICATE THE RATE TABLE USED: \_\_\_\_\_ RISK RATING METHOD:  7 - PRP  R - NEWLY MAPPED

INSURANCE COVERAGE	SECTION A - CURRENT LIMITS			SECTION B - NEW LIMITS			A + B PREMIUM		
	AMOUNT	RATE	PREMIUM	AMOUNT	RATE	PREMIUM			
BUILDING BASIC LIMIT	\$30,000	<b>2.13</b>	<b>\$639</b>	\$15,000	<b>2.13</b>	<b>\$320</b>	<b>\$959</b>		
BUILDING ADDITIONAL LIMIT	—	—	—	—	—	—	—		
CONTENTS BASIC LIMIT	\$8,000	<b>.99</b>	<b>\$79</b>	\$7,000	<b>.99</b>	<b>\$69</b>	<b>\$148</b>		
CONTENTS ADDITIONAL LIMIT	—	—	—	—	—	—	—		
FOR PRP AND NEWLY MAPPED ONLY, ENTER LIMITS FROM THE NFIP FLOOD INSURANCE MANUAL	BUILDING	CONTENTS	PREMIUM	BUILDING	CONTENTS	PREMIUM			
	—	—	—	—	—	—	—		
IF CHANGING AMOUNT OF INSURANCE, ENTER NEW TOTAL AMOUNT BELOW							PAYMENT METHOD: <input type="checkbox"/> CHECK <input type="checkbox"/> CREDIT CARD <input type="checkbox"/> OTHER: _____	SUBTOTAL	<b>\$1,107</b>
BUILDING COVERAGE			CONTENTS COVERAGE			DEDUCTIBLE DISCOUNT/SURCHARGE		—	
BASIC	ADDITIONAL	TOTAL	BASIC	ADDITIONAL	TOTAL		SUBTOTAL	<b>\$1,107</b>	
\$45,000	—	\$45,000	\$15,000	—	\$15,000		ICC PREMIUM	<b>\$6</b>	
IF RETURN PREMIUM, MAIL REFUND TO: <input type="checkbox"/> INSURED <input type="checkbox"/> AGENT/PRODUCER <input type="checkbox"/> PAYOR								SUBTOTAL	<b>\$1,115</b>
								CRS PREMIUM DISCOUNT _____ %	—
								SUBTOTAL	<b>\$1,115</b>
								RESERVE FUND <b>18 %</b>	<b>\$167</b>
								SUBTOTAL	<b>\$1,282</b>
								PREMIUM PREVIOUSLY PAID (Excludes Probation Surcharge/Federal Policy Fee)	<b>\$835</b>
								HFIAA SURCHARGE	—
								DIFFERENCE _____ (+/-)	<b>\$447</b>
								PRO-RATA FACTOR	<b>.841</b>
								<b>TOTAL AMOUNT DUE (+/-)</b>	<b>\$376</b>

**NOTICE:** BUILDING COVERAGE BENEFITS – EXCEPT FOR A RESIDENTIAL CONDOMINIUM BUILDING – ARE NOT AVAILABLE IF OTHER NFIP BUILDING COVERAGE HAS BEEN PURCHASED BY THE APPLICANT OR ANY OTHER PARTY FOR THE SAME BUILDING. THE ABOVE STATEMENTS ARE CORRECT TO THE BEST OF MY KNOWLEDGE. I UNDERSTAND THAT ANY FALSE STATEMENTS MAY BE PUNISHABLE BY FINE AND/OR IMPRISONMENT UNDER APPLICABLE FEDERAL LAW. SEE REVERSE SIDE OF COPIES.

SIGNATURE OF INSURANCE AGENT/PRODUCER \_\_\_\_\_ DATE (MM/DD/YYYY) \_\_\_\_\_

SIGNATURE OF INSURED (IF APPLICABLE) \_\_\_\_\_ DATE (MM/DD/YYYY) \_\_\_\_\_

SIGNATURE OF ASSIGNEE (FOR ASSIGNMENT ONLY) \_\_\_\_\_ DATE (MM/DD/YYYY) \_\_\_\_\_

## 4. How To Endorse

### ENDORSEMENT EXAMPLE 4 REDUCING BUILDING COVERAGE

- Policy term is June 6, 2020–2021.
- Single-family dwelling, with basement.
- Regular Program, Zone B, Post-FIRM.
- Policy limits: Building \$150,000 / Contents \$0.
- A wing of the building was destroyed by fire on December 10, 2020, and the building was repaired without the wing, reducing the value of the dwelling to \$100,000. (This explanation should be recorded in the Reason for Change section of the General Change Endorsement form.)
- Present rates are: Building 1.24 / .43.
- Endorsement effective date is December 10, 2020.
- In Section A, enter the basic building amount (\$60,000) and the applicable rate (1.24).
- In Section B, enter the new additional building amount at the same rate of .43.
- Add Sections A and B to obtain the New Premium Totals.
- Add the New Premium Totals to obtain the Premium Subtotal.
- Add in the ICC Premium and calculate the New Premium Subtotal.
- Add the Reserve Fund Amount and calculate the New Premium Subtotal.
- The Premium Previously Paid is \$1,344 (excluding the Probation Surcharge/HFIAA Surcharge/Federal Policy Fee), which is the total current annual premium including ICC Premium and Reserve Fund Assessment.
- Subtract the Premium Previously Paid from the Premium Total to obtain the Difference (should be additional/return premium).
- Prorate the Difference.  
Time period is December 10, 2020, to June 6, 2021;  
Number of days is 178;  
Pro-rata factor is .488

TO INCREASE/DECREASE COVERAGE, COMPLETE SECTIONS A & B. FOR RATE CHANGE, COMPLETE SECTION A ONLY.  
INDICATE THE RATE TABLE USED: \_\_\_\_\_ RISK RATING METHOD:  7 - PRP  R - NEWLY MAPPED

INSURANCE COVERAGE	SECTION A - CURRENT LIMITS			SECTION B - NEW LIMITS			A + B PREMIUM	
	AMOUNT	RATE	PREMIUM	AMOUNT	RATE	PREMIUM		
BUILDING BASIC LIMIT	\$60,000	1.24	\$744	—	—	—	\$744	
BUILDING ADDITIONAL LIMIT	\$90,000	.43	\$387	-\$50,000	.43	-\$215	\$172	
CONTENTS BASIC LIMIT	—	—	—	—	—	—	—	
CONTENTS ADDITIONAL LIMIT	—	—	—	—	—	—	—	
FOR PRP AND NEWLY MAPPED ONLY, ENTER LIMITS FROM THE NFIP FLOOD INSURANCE MANUAL	BUILDING	CONTENTS	PREMIUM	BUILDING	CONTENTS	PREMIUM		
	—	—	—	—	—	—	—	
IF CHANGING AMOUNT OF INSURANCE, ENTER NEW TOTAL AMOUNT BELOW				PAYMENT METHOD: <input type="checkbox"/> CHECK <input type="checkbox"/> CREDIT CARD <input type="checkbox"/> OTHER: _____	SUBTOTAL		\$916	
BUILDING COVERAGE			CONTENTS COVERAGE			DEDUCTIBLE DISCOUNT/SURCHARGE	—	
BASIC	ADDITIONAL	TOTAL	BASIC		ADDITIONAL	TOTAL	SUBTOTAL	\$916
\$60,000	\$40,000	\$100,000	—		—	—	ICC PREMIUM	\$8
IF RETURN PREMIUM, MAIL REFUND TO: <input type="checkbox"/> INSURED <input type="checkbox"/> AGENT/PRODUCER <input type="checkbox"/> PAYOR					SUBTOTAL		\$924	
					CRS PREMIUM DISCOUNT _____ %		—	
					SUBTOTAL		\$924	
					RESERVE FUND 18 %		\$166	
					SUBTOTAL		\$1,090	
					PREMIUM PREVIOUSLY PAID (Excludes Probation Surcharge/Federal Policy Fee)		\$1,344	
					HFIAA SURCHARGE		—	
					DIFFERENCE _____ (+/-)		-\$254	
					PRO-RATA FACTOR		.488	
					<b>TOTAL AMOUNT DUE (+/-)</b>		<b>-\$124</b>	

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\_\_\_\_\_/\_\_\_\_\_/\_\_\_\_\_  
SIGNATURE OF INSURANCE AGENT/PRODUCER DATE (MM/DD/YYYY)

\_\_\_\_\_/\_\_\_\_\_/\_\_\_\_\_  
SIGNATURE OF INSURED (IF APPLICABLE) DATE (MM/DD/YYYY)

\_\_\_\_\_/\_\_\_\_\_/\_\_\_\_\_  
SIGNATURE OF ASSIGNEE (FOR ASSIGNMENT ONLY) DATE (MM/DD/YYYY)

## 4. How To Endorse

### ENDORSEMENT EXAMPLE 5 CHANGE OF PRIMARY RESIDENCE STATUS

- Policy term May 15, 2020–2021.
- Single-family dwelling, no basement.
- Post-FIRM construction with a +4 elevation difference.
- Building located in Zone AE
- Present coverage: Building \$150,000 / Contents \$15,000.
- Endorsement is effective on October 30, 2020, to change Residence status from Non-Primary to Primary.
- Full-risk premium rates are: Building .31 / .08, Contents .38 / .12
- Complete Section A for current coverage
- Add Section A premiums to obtain the New Premium Totals.
- Add the New Premium Totals to calculate the Premium Subtotal.
- Add the ICC Premium and calculate the New Premium Subtotal.
- Add the Reserve Fund Amount and calculate the New Premium Subtotal.
- The Premium Previously Paid is \$631 (excluding Probation Surcharge/Federal Policy Fee), which is the total current annual premium including ICC Premium and Reserve Fund Assessment and HFIAA Surcharge.
- Enter the applicable HFIAA Surcharge Amount.
- Subtract the new HFIAA Surcharge of \$25 from the previously paid HFIAA Surcharge of \$250 and enter the difference.
- Prorate the Difference.  
Time period is October 30, 2020, to May 15, 2021;  
Number of days is 197;  
Pro-rata factor is .540

TO INCREASE/DECREASE COVERAGE, COMPLETE SECTIONS A & B. FOR RATE CHANGE, COMPLETE SECTION A ONLY.  
INDICATE THE RATE TABLE USED: \_\_\_\_\_ RISK RATING METHOD:  7 - PRP  R - NEWLY MAPPED

INSURANCE COVERAGE	SECTION A - CURRENT LIMITS			SECTION B - NEW LIMITS			A + B PREMIUM	
	AMOUNT	RATE	PREMIUM	AMOUNT	RATE	PREMIUM		
BUILDING BASIC LIMIT	\$60,000	.31	\$186	—	—	—	\$186	
BUILDING ADDITIONAL LIMIT	\$90,000	.08	\$72	—	—	—	\$72	
CONTENTS BASIC LIMIT	\$15,000	.38	\$57	—	—	—	\$57	
CONTENTS ADDITIONAL LIMIT	—	—	—	—	—	—	—	
FOR PRP AND NEWLY MAPPED ONLY, ENTER LIMITS FROM THE NFIP FLOOD INSURANCE MANUAL	BUILDING	CONTENTS	PREMIUM	BUILDING	CONTENTS	PREMIUM		
	—	—	—	—	—	—	—	
IF CHANGING AMOUNT OF INSURANCE, ENTER NEW TOTAL AMOUNT BELOW							PAYMENT METHOD: <input type="checkbox"/> CHECK <input type="checkbox"/> CREDIT CARD <input type="checkbox"/> OTHER: _____	
BUILDING COVERAGE			CONTENTS COVERAGE			SUBTOTAL		\$315
BASIC	ADDITIONAL	TOTAL	BASIC	ADDITIONAL	TOTAL	DEDUCTIBLE DISCOUNT/SURCHARGE		—
—	—	—	—	—	—	SUBTOTAL		\$315
IF RETURN PREMIUM, MAIL REFUND TO: <input type="checkbox"/> INSURED <input type="checkbox"/> AGENT/PRODUCER <input type="checkbox"/> PAYOR							ICC PREMIUM	\$8
							SUBTOTAL	\$323
							CRS PREMIUM DISCOUNT ____ %	—
							SUBTOTAL	\$323
							RESERVE FUND 18 %	\$58
							SUBTOTAL	\$381
							PREMIUM PREVIOUSLY PAID (Excludes Probation Surcharge/Federal Policy Fee)	\$631
							HFIAA SURCHARGE	\$25
							DIFFERENCE _____ (+/-)	-\$225
							PRO-RATA FACTOR	.540
							<b>TOTAL AMOUNT DUE (+/-)</b>	<b>-\$122</b>

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SIGNATURE OF INSURANCE AGENT/PRODUCER \_\_\_\_\_ DATE (MM/DD/YYYY) \_\_\_\_\_

SIGNATURE OF INSURED (IF APPLICABLE) \_\_\_\_\_ DATE (MM/DD/YYYY) \_\_\_\_\_

SIGNATURE OF ASSIGNEE (FOR ASSIGNMENT ONLY) \_\_\_\_\_ DATE (MM/DD/YYYY) \_\_\_\_\_