



Federal Emergency Management Agency

Washington, D.C. 20472

W-02083

MEMORANDUM FOR: WYO Principal Coordinators and NFIP Servicing Agent

FROM: Donald R. Beaton, Jr., CFM
Chief Underwriter
Federal Insurance and Mitigation Administration

DATE: November 27, 2002

SUBJECT: Flood Insurance Business Formerly Written with the
Seibels Bruce Group, Inc.

This memorandum is to advise you that the Seibels Bruce Group, Inc. (Seibels) is no longer participating in the NFIP's WYO Program. They have entered into an agreement with The Hartford Fire Insurance Company (The Hartford) to take over the NFIP policies currently being written by the Seibels companies, e.g., South Carolina Insurance Company and Catawba Insurance Company. We have approved this agreement subject to a major condition, which is that all elevation rated policies be re-underwritten.

At the time of the agreement, Seibels was engaged in a special project to re-underwrite its elevation rated policies. An important condition of FIMA's approval of the transfer to The Hartford was that this re-underwriting of all elevation rated policies be completed.

Completion of this re-underwriting requires that any Seibels policies that may be transferred to another WYO company (or to the NFIP Servicing Agent), as individual policies or as an entire book, must also be re-underwritten. Since good flood underwriting requires the review of a fully completed Application and Elevation Certificate, transfers of business using solely a Declarations Page are unacceptable. WYO companies must require a fully completed Application and an Elevation Certificate. If the agent no longer has a copy of the Elevation Certificate, a new one will have to be obtained.

To be certain that all intended policies are properly treated, this requirement applies to all policies "rolled over" with effective dates of October 1, 2002, or later. We intend to verify compliance with this memorandum through the Operation Review process and other means.

Thank you for your cooperation in this matter. If you should have any questions, please contact your Program Coordinator.

CC: Vendors, IBHS, FIPNC, and Government Technical Monitor
Suggested Routing: Underwriting, Data Processing, Marketing