January 25, 2005

MEMORANDUM FOR: Write Your Own Principal Coordinators and the NFIP Servicing Agent

FROM: WYO Clearinghouse

SUBJECT: FloodSmart – January/February Newsletter of the NFIP Marketing Campaign

Read on for the latest from FloodSmart! In this issue:

Check out our new layout. New sections include “Flood Facts” and the “2005 Conference Update.” Learn about winter flooding and the resources available to help your clients including a special Co-Op incentive for California agents. Also, find out about the latest developments regarding levees and possible map changes.

Please take a moment to read this valuable resource and pass it along to your agents. You can use the information in your newsletters, publications, or list-serve e-mails. If you have any questions or need additional information, please contact floodsmart@ogilvypr.com.

Attachment

cc: Vendors, IBHS, FIPNC, WYO Marketing Committee, Government Technical Representative

Suggested Routing: Marketing, Underwriting
A Winter Waterland

The holidays are over but the winter flood season is still in full swing. A lot of communities in the United States are at risk for winter flooding. In this part of the country, we experience storms and snowfall that can lead to floods. This means that the National Flood Insurance Program (NFIP) is a crucial part of protecting our homes and communities.

Quick Thaws, Ice Jams, El Niño, and More

A number of conditions can cause winter flooding. A mid-winter or early spring thaw can produce high water levels and short period of time. Ice jams and northeastern produce floods. According to the National Oceanic and Atmospheric Administration (NOAA) at a lake or river still persists and may have an effect on California during the winter rainy season. And predictions for the upcoming year show Texas has the potential for quick thaws and seeing lighter than normal conditions.

In fact, winter flooding is so prevalent that California, Washington, and Oregon issued winter weather advisories to warn the public about the threat of winter floods and precipitation. NOAA reports that in the last three winters, these three states alone accounted for more than 100 flood events and 77 million worth of flood damage. This winter has already brought flooding, due to heavy rains, in the southwestern United States. California, Utah, and Nevada have all experienced widespread, devastating mudflows and massive flooding in January. The rainy season continues through March and threatens to bring more flooding to already saturated areas.

FloodSmart Winter Flood Materials for Agents and Customers

FloodSmart has created a list of marketing tips and an agent fact sheet to help communicate the risks of winter flooding to customers. The fact sheets contain critical information about the increased flood risk in California and can be personalized for other areas at risk. FloodSmart urges you to use this information when you talk with customers about the value of acquiring and retaining flood insurance policies.

Behind the Levee, Flood Risk is Still Real

Communities along at least 15,000 flood-prone areas in California are at risk for major flooding events due to levee failures. To help protect local environments, levees require ongoing maintenance. Aging levees can be more vulnerable to failure and can cause harm to both the community and the environment. As levees are maintained, developed, and protected, the community may be better prepared to handle flood events.

Snapshots: Sacramento Levee Impact on Insurance

Later this winter, improvements in the flood-protection system around Sacramento, Calif., will take effect as the community works to protect its levees. These improvements include an extension of the levee system and a Letter of Map Change (LOMC). With this happens, Sacramento will see increased flood risk. The Sacramento region has many levees that were previously compromised.

Quick Thaws, Ice Jams, El Niño, and More

FloodSmart encourages all agents to talk with customers living near levees about their flood risk. Agent materials can help customers understand the potential risks of winter flooding and the importance of acquiring flood insurance.

FloodSmart has created a list of marketing tips and an agent fact sheet to help communicate the risks of winter flooding to customers. The fact sheets contain critical information about the increased flood risk in California and can be personalized for other areas at risk. FloodSmart urges you to use this information when you talk with customers about the value of acquiring and retaining flood insurance policies.

For more information about waterfront flooding and agent materials visit us at http://www. floodsmart.gov. If you need help with a Letter of Map Change (LOMC), please call FloodSmart at 1-213-978-0333. It can take up to 30 days for your name to appear online referral form through http://www.floodsmart.gov/.