July 26, 2012

MEMORANDUM FOR: Write Your Own Company Principal Coordinators

Edward L. Connor
Deputy Associate Administrator for Federal Insurance
Federal Insurance and Mitigation Administration

SUBJECT: Availability of Fiscal Year 2013 Financial Assistance/Subsidy Arrangement

The Federal Emergency Management Agency (FEMA) published a notice in the Federal Register providing the terms for companies to subscribe or resubscribe to the Arrangement for participation in the Write Your Own (WYO) Program. A copy of the notice is attached. If you have questions, please contact wyo@nfipiservice.com.

Attachment

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

Suggested Routing: Accounting, Claims, Legal, Marketing, Training, Underwriting
problems with the conference call or webcast, please email IACCTechSupport@acclaroresearch.com or call the IACC Technical Support Help Line at 443-680-0098.

To access the webcast live on the Internet the following computer capabilities are required: (A) Internet Explorer 5.0 or later, Netscape Navigator 6.0 or later or Mozilla Firefox 1.0 or later; (B) Windows® 2000, XP Home, XP Pro, 2003 Server or Vista; (C) Stable 56k, cable modem, ISDN, DSL or better Internet connection; (D) Minimum of Pentium 400 with 256 MB of RAM (Recommended); (E) Java Virtual Machine enabled (Recommended).

Individuals who participate in person or by using these electronic services and who need special assistance, such as captioning of the conference call or other reasonable accommodations, should submit a request to the Contact Person listed on this notice at least 7 days prior to the meeting.

As a part of security procedures, attendees should be prepared to present a photo ID at the meeting registration desk during the check-in process. Pre-registration is recommended. Seating will be limited to the room capacity and seats will be on a first come, first served basis, with expedited check-in for those who are pre-registered.

Schedule is subject to change.

Information about the IACC is available on the Web site: http://www.iacc.hhs.gov.

Dated: June 12, 2012.

Jennifer S. Spaeth,
Director, Office of Federal Advisory Committee Policy.

For further information contact:

Supplementary Information: Under the Write-Your-Own (WYO) Program Financial Assistance/Subsidy Arrangement (Arrangement), 82 (as of April, 2012) private sector property insurers sell flood insurance policies and adjust flood insurance claims under their own names based on the Arrangement with the Federal Insurance and Mitigation Administration (FIMA) at 44 CFR part 62, Appendix A.

The WYO insurers retain an expense allowance and remit the remaining premium to the Federal Government. The Federal Government pays flood losses and pays loss adjustment expenses based on a fee schedule. In addition, under certain circumstances reimbursement for litigation costs, including court costs, attorney fees, judgments, and settlements, are paid by FEMA based on documentation submitted by the WYO insurers.

The complete Arrangement is published in 44 CFR part 62, Appendix A. Each year, FEMA is required to publish in the Federal Register and make available to the Companies the terms for subscription or re-subscription to the Arrangement.

Signatory Companies should remain aware that all requirements of the Arrangement, including, but not limited to, financial accounting in issues involving all transactions, must be met. As set forth in Article II.A.1. of Appendix A to Part 62—Federal Emergency Management Agency, Federal Insurance Administration, Financial Assistance/Subsidy Arrangement, the Company is responsible for meeting all fiduciary responsibilities for control and disbursement of funds in connection with policy administration. This includes ensuring that all accounting for policy administration is correct. If errors are made in policy administration, the Company shall be responsible for reimbursing any incorrect allocations, assessment or other moneys compensated to that company by the Federal Government.

The Company is responsible for ensuring that all activities meet the requirements of this Arrangement and of the NFIP Financial Control Plan, 44 CFR part 62, Appendix B. The NFIP WYO Standards Committee may take remedial action in the event any such conduct is not corrected.

FEMA will send a copy of the offer for the FY 2013 Arrangement, together with related materials and submission instructions, to all private insurance companies participating under the current FY 2012 Arrangement.

Any private insurance company not currently participating in the WYO Program but wishing to consider FEMA’s offer for FY 2013 may request a copy by writing: DHS/FEMA, Federal Insurance and Mitigation Administration, Attn: Edward L. Connor, Deputy Associate Administrator for Federal Insurance, Federal Insurance and Mitigation Administration, DHS/FEMA, 1800 South Bell Street, Room 720, Arlington, VA 20598–3020, or contact Edward Connor at 202–646–3445 (facsimile), or Edward.Connor@fema.dhs.gov (email).


David L. Miller,

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