

# How do I Cancel an American Bankers Insurance Company Flood Policy?

**\*The following are required for EVERY cancellation:**

1/ Cancellation Form

2/ VALID cancellation reason (per the NFIP)

3/ Insured & Agent signatures

4/ Effective date of cancellation

**\*(IF ANY ONE OF THESE ITEMS IS OMITTED, THE REQUEST WILL BE RETURNED AS INCOMPLETE)\***

<u>REASON</u>	<u>WHAT IT MEANS</u>	<u>ADDITIONAL ITEMS REQUIRED</u>
#1: Building sold or removed	Also includes: demolished, destroyed, foreclosed, etc	Insured's forwarding address. Copies of closing papers will be required in all cases.
#2: Contents sold or removed	Also includes: demolished, destroyed, foreclosed, etc	Insured's forwarding address. If contents removed, a letter from the insured stating the contents have been removed.
#3: Rewritten to establish common expiration date with other insurance coverage	Policy must be rewritten within the same company, for the same or higher amounts of coverage	Current policy number and copy of "other" insurance declaration page.
#4: Duplicate NFIP policies	Must be an NFIP company. Cannot cancel if there has been deliberate creation of duplicate policies. If this does occur, the policy with the later effective date must be cancelled.	Declaration page of duplicate NFIP policy.
#5: Nonpayment	A producer accepts payment from the insured, submits an agency check, and then the insured's check is returned by the bank (NSF).  NOTE: Cannot be used if the agent advances funds, and the insured simply refuses to pay.	The bank's notice must be attached to the form when this situation occurs.
#6: Risk not eligible for coverage  *Company Use Only*	Used to nullify a policy when an application was submitted, and a policy issued on a property not eligible for coverage	i.e. Property is not located in a community participating in the NFIP
#7: Property closing did not occur	Used to nullify a policy when loan closing did not occur.	Letter from the mortgagee stating that the loan closing did not occur.
#8: Policy not required by mortgagee	A policy was requested for a closing, and at closing it was determined that the property was not located in a SFHA, as a result coverage was not required by the mortgagee.	A signed statement from the mortgagee that the policy was required for closing, but that the property is not located in a SFHA, and has not been in a SFHA. So flood insurance is not required.
#9: Insurance no longer required by mortgagee because property is no longer in a SFHA	Property was located in a SFHA, but a LOMA/LOMR indicates the property is no longer in a SFHA. NOTE: If the insured obtained flood coverage on their own, the property was never located in a SFHA, or if there is no mortgagee listed on their policy, they are not eligible to cancel for this reason.	A LOMR/LOMA letter or flood zone determination.  A signed letter from the mortgagee: that per map revision the property zone has changed and is no longer in a SFHA. The letter must also state:  1) Insurance was required as part of the mortgage.  2) Insurance is no longer required.

<b>REASON</b>	<b>WHAT IT MEANS</b>	<b>ADDITIONAL ITEMS REQUIRED</b>
#10: Condominium unit or association policy converting to RCBAP	Provides a means to cancel a condo unit policy because coverage is being provided under a RCBAP.	Copy of the declaration page of the Condo association policy.
#11: Mid-term cancellation of a 3 year policy due to cessation of participation in the NFIP of the community in which the property is located.	Insured is no longer eligible for flood insurance through the NFIP. Mid-term cancellation will be effective at the end of the policy year in which cessation occurs.	Statement from FEMA that the community is no longer participating, or notice from FEMA.
#12: Mortgagee paid off	Loan has been paid off as of 5/1/99 or later	A statement from the mortgagee that insurance was required as part of the mortgage and that the loan has been satisfied.
#13: Voidance prior to effective date	Used when coverage is not mandatory and the insured decides during the 30 day waiting period or prior to the effective date of renewal not to take the policy	Letter stating coverage is not required by a bank
#14: Nullification due to credit card error *Company use only	This reason is used when nullification due to a billing dispute occurs on a credit card payment.	
#15: Insurance no longer required based on FEMA review of lender's SFHA determination	Insurance was initially required by the mortgagee because the property was erroneously determined to be in a SFHA	Copy of FEMA's letter of determination review, and a statement from the lender that flood insurance is not required
#16: Duplicate policies from source other than the NFIP	Duplicate policy from a private carrier such as Lloyds of London.	Copy of declaration page of the duplicate policy. Letter from the mortgagee stating that they will accept a "non-NFIP" policy.
#17: Mid-term cancellation of a 3 year policy to obtain increased cost of compliance coverage	Policies issued before 10/97 do not contain ICC coverage. Mid-term cancellation is effective on the annual anniversary date.	Copy of the new policy declaration page.
#18: Mortgage paid off on a Mortgage Portfolio Protection Program (MPPP)	Cancel a forced place policy when the loan has been paid off	Statement from the lender that the loan has been satisfied.
#19: Insurance no longer required by the mortgagee because the structure has been removed from the SFHA by means of a LOMR or LOMA	Flood insurance was initially required by the mortgagee or lender because the property was determined to be in a SFHA, and it is later determined that the property is no longer located in a SFHA through the issuance of a LOMA or LOMR	A LOMR/LOMA letter or flood zone determination. A signed letter from the mortgagee that per a map revision the property zone has changed and is no longer in a SFHA. The letter must also state: 1) Insurance was required as part of the mortgage, and 2) Insurance is no longer required.
#20: Policy was written to the wrong facility (repetitive loss target group) *Company use only	Coverage was inadvertently written to the wrong facility on those structures that were identified as part of the Repetitive Loss Target Group	
#21: Other *Company use only	Use of this code is subject to FIA approval. Only on continuous lake flooding or closed basin lakes	FEMA notification required
#22: Cancel/Rewrite Due to incorrect rating	This reason code is used when ineligible PRP's or MPPP policies are cancelled and rewritten and changes are made due to system constraints. The code should also be used to cancel a standard policy that is eligible for a PRP. Refunds resulting from the cancellation must be applied to the rewritten policy prior to any refund being generated.	LOMA, LOMR, zone determination, or copy of map showing the correct zone.
#23: Fraud *Company use only	This reason is used when fraud has been determined by FEMA. No premium refund is allowed with this reason code.	FEMA notification