

This form is designed to provide guidance based on the statutory requirements for such form and it has not been approved by the Florida Department of Financial Services. This is a suggested form.

Florida Statute 627.715 (8)

An agent must provide a written notice to be signed by the applicant before the agent places flood insurance coverage with an admitted or surplus lines insurer for a property receiving flood insurance under the National Flood Insurance Program. The notice must notify the applicant that, if the applicant discontinues coverage under the National Flood Insurance Program which is provided at a subsidized rate, the full risk rate for flood insurance may apply to the property if the applicant later seeks to reinstate coverage under the program.

The statute does not require the retail/producing agent to sign the form. However, the retail/producing agent should keep the original signed form in the insured's file in the event of a future E&O claim.

Some surplus lines brokers may ask for copies of these forms, but they are not required by statute to obtain or maintain these forms. Retail/producing agents may choose to comply with their requests for copies of the forms, but agents and brokers should note that the Florida Surplus Lines Service Office will not be looking for copies of these forms during compliance reviews of the files of surplus lines brokers. Only when a surplus lines broker acts in both a retail/producing agent capacity and a surplus lines broker capacity on a given risk/policy should the broker maintain a copy of this form.

DISCLAIMER: The information provided should not be interpreted or used as a legal opinion, nor does it supersede directives provided by state or other governing authorities. The Florida Surplus Lines Service Office does not provide legal or tax advice. Whenever agents, brokers, companies, or policyholders have specific questions pertaining to business practices, tax implications or statutory interpretation, we urge the respective parties to seek the counsel of a competent attorney or tax consultant licensed in the appropriate jurisdiction and area of expertise.

NFIP Acknowledgment of Understanding Form

By signing below I understand that if I discontinue my flood policy with the National Flood Insurance Program (NFIP), which is provided at a subsidized rate, the full risk rate for the flood insurance may apply to the property if I later seek to reinstate coverage under the NFIP program.

Printed Name of Applicant

By:

Signature of Applicant

Date