

# National Flood Observer

Summer 2008

A Quarterly Publication of FIS Flood

## FIS»

FLOOD SERVICES™  
A DIVISION OF FIDELITY NATIONAL INFORMATION SERVICES

## 20 Years and Stronger Than Ever



20 yrs ago



13 yrs ago



8 yrs ago



September 1, 2008

Do you remember the year 1988? A gallon of gas cost \$0.91, a movie ticket was \$3.50, and the Berlin Wall was still firmly in place. 1988 was also the year that FIS Flood Services was founded as National Flood Information Services (NFIS).

The evolution of the company progressed with the acquisition of NFIS by Chicago Title in 1995, creating Chicago Title Flood Services. Then the merger of Fidelity National and Chicago Title in 2000 produced the largest title and settlement services company, Fidelity National

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*"We have remained the same company committed to providing the finest flood compliance service available."*

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Financial, and gave the flood division yet another new name: Fidelity National Flood Services. Further corporate restructuring to more efficiently combine the technology, assets, products and services of Fidelity National in 2006 gave rise to Fidelity National Information Services (FIS), producing our current company name, FIS Flood Services.

Along the way, acquisitions of major flood service providers Fidelity National Flood, Inc. in 2000 and Geotrac in 2004 served to enhance our industry position via market share growth and integration of best of breed practices. From our beginnings in 1988 to our current form, we have remained the same company committed to providing the finest flood compliance service available.

In fourth quarter 2007, FIS announced a plan to spin off the Lender Processing business into a new company that would focus on serving the lender industry while enabling FIS to enhance its focus on the banking industry. Lender Processing Services, Inc. (LPS) was officially formed on July 1, 2008. LPS is a leading provider of integrated technology and services to the mortgage industry, including lead generation, origination, servicing, portfolio retention and default, augmented by the company's award-winning customer support and professional services. Approximately 50 percent of all U.S. mortgages are serviced using LPS' Mortgage Servicing Package (MSP), including 16 of the nation's top 20 servicers. LPS

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Customer Service:  
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fnfs@fnis.com

Technical Support:  
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floodsupport@fnis.com

Product Information:  
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## Resources Related to FEMA's Mapping Efforts:

- FEMA's Map Modernization Program: [http://www.fema.gov/plan/prevent/fhm/mm\\_main.shtm](http://www.fema.gov/plan/prevent/fhm/mm_main.shtm)
- FEMA's Risk MAP Strategy: <http://www.fema.gov/plan/ffmm.shtm>
- FloodSmart: [www.floodsmart.gov](http://www.floodsmart.gov)
- National Flood Determination Association (NFDA): [www.nfdaflood.com](http://www.nfdaflood.com)
- Recent and Upcoming FEMA Flood Map Revisions: [www.fisflood.com](http://www.fisflood.com)

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## A Flood of Map Revisions – How FIS Stays Current with the Rising Volumes of New Maps

FEMA is really kicking the map update process into high gear, as the Map Modernization Program nears the end of its fifth and final year of funding. As a result, the number of Flood Insurance Rate Map (FIRM) revisions anticipated for 2008 will far exceed the number for any previous year, with 2009 and 2010 also expected to be high volume revision years. Based on the information released to date, planned FIRM updates are expected to affect up to 18,000 flood map panels this year alone. To put the increase into perspective, 12,447 new maps were released in 2007 and 9265 in 2006 – nearly twice the number of newly released maps in just two years!

For FIS Flood, the procedures involved to incorporate new map data into our proprietary processes have become critical and complex tasks. To ensure that

the latest flood map data is in place on the day it becomes effective, FIS has dedicated several teams to addressing every aspect of this revision process.

Our Geographic Information Systems (GIS) team performs thorough quality assurance checks on FEMA's Digital FIRM (DFIRM) data before importing and rigorously testing for accuracy and completeness – all prior to the official effective date. GIS and Technology teams then work together to implement the new map data to support our automated and manual research processes. FIS Flood's proprietary flood processing system has been developed with flexibility and scalability which allows us to readily adapt to significant fluctuations in revision volume with minimal effort. Concurrently, FIS' Life of Loan Servicing team collects all new map information

for input into our comprehensive, up-to-date flood map database. The next step entails identifying all tracked life of loan flood determinations affected by map updates. FIS' Life of Loan Servicing team will perform well over 5 million new flood determinations in 2008 as a result of this "flood" of map revisions. A notice detailing any resulting flood insurance requirement change will be sent in electronic or hard copy form to the lender, or directly to their servicing system.

Customers can rest assured that FIS Flood has established sustainable processes to manage the increased rate of map revisions over the next two years and beyond, as FEMA shapes the future of map maintenance via the "Risk MAP Strategy". You may refer to the resources on page 1 of this newsletter for more information on FEMA's remapping efforts.

## Lender ID Number

If you are anticipating a regulatory audit anytime soon, it's a good idea to make sure that your Lender ID is printing on the FEMA Standard Flood Hazard Flood Determination Form. According to the most recent Mandatory Purchase of Flood Insurance Guidelines, the lender funding the loan should identify itself as follows:

- **FDIC-insured lenders** should indicate their FDIC Insurance Certificate Number.
- **Federally-insured credit unions** should indicate their charter/insurance number.
- **Farm Credit institutions** should indicate their UNINUM number.
- **Other lenders** who fund loans sold

**to or securitized by FNMA or FHLMC** should enter the FNMA or FHLMC seller/servicer number.

While FIS Flood requests the lender ID at the time of account set up, lenders may inadvertently omit this field while filling out the set up form. To check if your lender ID is printing, review a recently-ordered flood certificate and check Section 1, Box 3 for the Lender I.D. Number. If you find it missing, you can request that it be added by emailing [acctmtg@fnis.com](mailto:acctmtg@fnis.com) with your account number and lender ID. Be sure to include your contact information in case questions arise.



## Maps are Changing – Know your Options

By the end of 2010, 92% of the U.S. population will have been impacted by revised flood maps in their communities as a result of FEMA's Map Modernization Program. Thousands of homeowners are being affected, and many will see changes in their flood insurance purchase requirements. It is important for lenders, insurance providers and homeowners to understand how flood hazard information is being updated and to know the options available.

The individual communities, FEMA and FIS Flood encourage homeowners to know their current flood risk and to have insurance in place regardless of the hazard designated on the effective maps. Everyone is in a "flood zone", although some properties are identified as being at greater risk for flooding than others. While flood insurance is only required for properties in Special Flood Hazard Areas (SFHAs, i.e., areas designated as having 1% annual chance of flooding), properties outside of these areas are still at risk and, in fact, over 25% of annual flood claims are for properties outside the SFHA.



Homeowners in lower risk zones can obtain flood insurance policies at very reasonable rates, and may qualify for Preferred Risk Policies for as little as \$119 per year.

FEMA also offers Grandfathering for properties that experience an increase in severity of their flood hazard designation as a result of a flood map revision. The grandfathering provision allows qualifying properties to receive flood insurance coverage at discounted rates. Having coverage in place before new maps take effect is the easiest

way to qualify for grandfathering, and the only way for pre-FIRM properties to qualify. Properties that did not have insurance in place prior to the map change may still be eligible for grandfathering, provided that evidence can be produced that the insurable structure 1) was built in compliance with the hazard designation in effect at that time or 2) resided in a lower risk zone prior to the most recent map change.

FIS Flood offers a Grandfathered Flood Determination product that reflects prior flood hazard conditions. The historical information comes bundled with an exhibit of the subject property's location on the prior FIRM in effect, formatted for direct submission to FEMA for consideration of insurance premium discounts. These determinations are always completed manually by our most tenured map technicians. For more information about this service, visit <http://insurance.floodapp.com/insurance/fzdetermination.aspx> or call 800.833.6347, option 4.

Have a question or topic that you would like addressed in the *National Flood Observer*? Submit your suggestions to [floodinfo@fnis.com](mailto:floodinfo@fnis.com)

[www.fisflood.com](http://www.fisflood.com)

## 20 Years *Continued from page 1*

has become widely recognized by our customer base and the market, which will allow for an efficient transition to an independent company.

FIS Flood is now a key mortgage services component of the new LPS organization. There will be no interruption in our service or structural change in our operations as a result of this transition, and customer satisfaction will continue to be our top priority. Current contracts,

service agreements and indemnifications supported by FIS Flood Services will remain in force after we formally amend our name to LPS National Flood in the third quarter of this year. With this new name that is fittingly reminiscent of our original name, LPS National Flood will continue to lead the industry in technology and customer service while further broadening the assortment of products and services for the Lending, Insurance, and Appraisal industries.