



ANNOUNCEMENT#10-16, June 1, 2010

To: All Michigan Mutual Brokers

Re: National Flood Insurance Program

Congress has adjourned without acting to pass a bill that would reauthorize the National Flood Insurance Program (NFIP) beyond May 31, 2010. This means that the NFIP expired at midnight on May 31, 2010. Congress is not due to vote on the bill to extend the NFIP until mid June. We do expect reauthorization at that time.

During this hiatus current flood insurance policyholders will not be affected however, the Program **does not have authority to:**

- Issue new flood insurance policies,
- Issue increased coverage on existing policies, or
- Issue renewal policies until Congress reauthorizes it.

Because new flood insurance policies cannot be issued at this time, effective immediately, Michigan Mutual cannot close purchase transactions where the subject property is located in a designated flood hazard zone requiring flood insurance. We will allow refinance transactions where existing policies are in place, where the policy does not require renewal.

We will notify you as soon as Congress reauthorizes the NFIP.

Please contact your account executive if you have any questions.

We appreciate and value your business!