



TEXAS WINDSTORM
INSURANCE ASSOCIATION



TWIA Instructions and Guidelines Manual



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General Information

Overview

TWIA's new business applications and renewals are available online through [Policy Center](#) [the Agent Portal](#) for all lines of business.

To access the systems, log in at www.twia.org and click on the "Agent Login" button. New users should click on the "New User" button to register.



For detailed assistance [on accessing and using TWIA's systems](#), please visit the [Training & Resources](#) page under the Agents section on the TWIA website.

Definitions

Dwellings

- a) Any structure occupied as a dwelling, garage apartment (not more than two families), duplex dwelling, employee quarters, private garage, private barns, seasonal dwelling, private club house, private camp house, or miscellaneous outbuildings on dwelling premises.
- b) Any individually owned townhouse unit insured in the name of the unit owner.

Commercial Risks

Any structure that is not occupied as a dwelling as defined in paragraph 1 on Dwellings, including:

- a) Buildings/Structures that are occupied for business, professional, or manufacturing purposes, including apartments.
- b) Farm and Ranch: Buildings/structures located on the premises of a farm and ranch operation including a farm and ranch dwelling. A farm and ranch operation is the growing of crops, fruit, vegetables or other produce; the raising of poultry or livestock; dairying; general farming; timberland; grassland; or land turned back to pasture and not cultivated.
- c) Apartment Risks: Buildings containing three or more separate units arranged as private residences and permanently equipped for housekeeping.
- d) Residential Condominium Risks: Buildings arranged as private residences and permanently equipped for housekeeping, including outbuildings, in which each individual unit owner has an undivided interest. Condominiums must be registered in the county in which they are located.
- e) Townhouse Risks: When written in the name of an association, buildings containing three or more units, each of which is owned by one or more individuals or a corporation, arranged as private residences and permanently equipped for housekeeping. Townhouses with less than three units are considered as dwellings.

Note: Buildings which contain individually owned townhouse units where each unit or two units are separated by a divisional firewall of at least 8 inches of masonry or 6 inches of reinforced concrete extending continuously from the foundation through all stories to and above the roof,



without openings, are not subject to rating as commercial risks but rather are treated as dwellings for rating purposes. (Where a roof is of semi-fire resistive construction, the wall need only be carried up tightly against the underside of the roof deck.)

Public Buildings

Buildings that are owned by and at least 75% occupied by municipal, district, county, state or federal authorities, or buildings not so owned but wholly and exclusively occupied by such authorities.

Construction

Frame

Includes outer walls of frame; iron-clad; sheet aluminum or aluminum siding on wood; composition siding; and asphalt covered fiberboard.

Stucco

Includes outer walls of stucco; asbestos board; rigid asbestos; and hard cement type sidings.

Brick Veneer

Includes outer walls of brick veneer or stone veneer.

Brick

Includes outer walls solid masonry; brick; stone; concrete; HTB; HT hollow masonry units; ICM and ICMS.

Policy Term

Policies are to be issued for a term of one year. For policies cancelled midterm please refer to the Cancellations section in this manual and Minimum Earned Premium and Pro-Rata Premium Calculation sections in the TWIA Rating Rules.

Effecting Coverage

Only TWIA employees can bind coverage on behalf of TWIA. Agents have no binding authority.



Standard Binder Procedure

Eligible new coverage will not be effective before the date the application and payment are received by the association, or the date the application or payment is mailed if sent by registered or certified mail, United States Postal Service Express Mail, regular mail that is hand cancelled by the United States Postal Service, or if sent by such other similar mailing procedure as approved by the board of directors, including other services that provide acceptable, traceable proof of mail date.

Renewal policies will be effective to provide continuous coverage if the renewal offer is made by TWIA and payment is mailed by one of the means described above on or before the expiration of the existing policy or if timely payment is received. The premium payment for a policy renewal, including any applicable Surcharge for Noncompliant Structures or Contingent Source of Payment for Class 2 and Class 3 Public Securities, is considered timely if the Association receives the payment within 10 calendar days after the due date. ~~or mailed by one of the means described above, on or before the expiration of the existing policy.~~

Hurricane Binding Exception

The hurricane binding exception rule, as stated in the TWIA Plan of Operation, begins after a windstorm is designated as a hurricane by the United States National Weather Service is in the Gulf of Mexico or within the boundaries of 80° west longitude and 20° north latitude and continues until the General Manager determines that the storm no longer threatens property within the designated catastrophe area of TWIA.

The exception applies to:

- new or increased coverage requests that are received by TWIA after the time specified in the Plan of Operation as an exception, unless the application for new or increased coverage stipulates a later date;
- new or increased coverage applications, or payment therefore ~~that are~~ sent by regular mail, (beginning at 12:01 A.M. on the day that the exception is invoked) unless the application for new or increased coverage stipulates a later date;
- new or increased coverage applications or payment therefore which are walked in to TWIA or submitted through EFT, eCheck, Credit Card, Debit Card, ATM Card ~~or Wellington Premium Finance~~



after a Storm Moratorium is in place, unless the application for new or increased coverage stipulates a later date.

The exception does not apply to:

- new or increased coverage applications or payment therefore that meet underwriting criteria and that are submitted electronically or delivered in person to TWIA's Austin office during its normal business hours prior to the Hurricane Binding Exception;
- applications or payments therefore that were mailed by registered or certified mail, United States Postal Service Express Mail, regular mail that is hand-cancelled by the United States Postal Service, or such other mailing procedure as approved by the Board of Directors, including other services that provide acceptable, traceable proof of mail date, prior to the first day the hurricane binding exception is invoked;
- any renewal policy affording windstorm coverage if the expiring policy was written by TWIA, TWIA offered a renewal, and if the payment was received by TWIA on ~~or~~ before, or within 10 calendar days of the expiration of the existing TWIA policy, or if the payment is mailed by registered or certified mail, United States Postal Service Express Mail, regular mail that is hand-cancelled by the United States Postal Service, or if sent by such other mailing procedure as approved by the Board of Directors, including other services that provide acceptable, traceable proof of mail date, prior to the expiration of the existing TWIA policy;
- applications submitted for coverage on newly acquired structures if the buyer has a closing date that transpires during the time when the binding exception has been invoked, and that closing was established before the binding exception was invoked. The agent is required to provide the HUD-1 form or similar proof from the real estate closing.

NOTE: Agents should not hold applications waiting for the HUD-1 Form or similar documentation but should instead submit the application and payment to TWIA noting that this application is due to a pending sale and that the HUD-1 form will follow.



Reminders:

All guidelines below assume a successful completion of the electronic submission of the application or change to TWIA in Policy Center.

All applications, renewals and change requests are subject to Underwriting Guidelines.

Establishing TWIA Coverage Effective Dates

New Business Application Effective Dates

Payment Delivery Method	Effective dates during Normal Operations*	Effective dates during a Storm Moratorium
Check/Money Order via Regular Mail	Date payment is received (or later if specified on application)	First day after Storm Moratorium has expired (or later if specified on the application)
Check/Money Order via USPS Certified, Registered, Hand Cancelled or Postal Express, or other services that provide acceptable, traceable proof of mail date	Date payment is postmarked (or later if specified on the application)	Date payment is postmarked (or later if specified on the application) if postmarked prior to Storm Moratorium, otherwise the first day after Storm Moratorium has expired.
Check/Money Order Walk in to TWIA EFT eCheck Wellington Premium Finance Credit Card, Debit Card, or ATM Card	Date payment is received/submitted (or later if specified on application)	Date payment is received/submitted (or later if specified on application) if submitted prior to Storm Moratorium, otherwise the first day after Storm Moratorium has expired.



Policy Change(s) – New or Increased Coverage Effective Dates

Payment Delivery Method	Effective dates during Normal Operations*	Effective dates during a Storm Moratorium
Bill Me	Date request is received (or later if specified on the request)	Date request is received (or later if specified on the request) if submitted prior to Storm Moratorium, otherwise the first day after Storm Moratorium has expired.
eCheck EFT Credit Card, Debit Card, or ATM Card	Date payment is submitted (or later if specified on the request)	Date payment is submitted (or later if specified on the request) if submitted prior to Storm Moratorium, otherwise the first day after Storm Moratorium has expired.



Renewal Effective Dates

Payment Delivery Method	Effective dates during Normal Operations*	Effective dates during a Storm Moratorium
Check/Money Order via Regular Mail	Date of renewal if payment is received on or before the expiration date of current policy; otherwise the date received.	Date of renewal if payment received on or before the expiration date of the current policy, otherwise, the first day after Storm Moratorium has expired. Renewal coverage cannot be increased until Storm Moratorium has expired.
Check/Money Order via USPS Certified, Registered, Hand Cancelled or Postal Express, or other services that provide acceptable, traceable proof of mail date	Date of renewal if payment is postmarked on or before the expiration date of current policy, otherwise the date of postmark.	Date of renewal if payment is postmarked on or before the expiration date of current policy, otherwise, the first day after Storm Moratorium has expired. Renewal coverage cannot be increased until Storm Moratorium has expired.
Check/Money Order Walk in to TWIA EFT eCheck Wellington Premium Finance Credit Card, Debit Card, or ATM Card	Date of renewal if payment is received/submitted on or before, <u>or within 10 calendar days of the</u> expiration of current policy, otherwise the date received/submitted.	Date of renewal if payment is received/submitted on or before, <u>or within 10 calendar days of the</u> expiration of current policy, otherwise the first day after Storm Moratorium has expired. Renewal coverage cannot be increased until Storm Moratorium has expired.

*"Normal Operations" are the dates when TWIA has no Storm Moratorium in place.



Submission Criteria

New Business Applications:

Applications must be submitted electronically through [Policy Center Agent Portal](#) and the premium submitted via one of the available methods for TWIA to issue coverage for eligible property.

Renewals:

Premium or policy conditions are subject to change due to changes in values or rates and may affect policy issuance. The offers are meant to be a preliminary indication of forms and rates at the time the offer is generated. TWIA assumes no responsibility and has no liability for failure of the insured or their agent to effect uninterrupted coverage. Records should be maintained by the agent to ensure that all policies are properly renewed.

Either a renewal offer or a non-renewal notice will generate electronically through Policy Center and be mailed via regular U.S. mail to the policyholder approximately ~~60~~35 days in advance of the policy expiration date. [Agents will also receive copies of these documents approximately 35 in advance of the policy expiration date.](#)

For renewals, the full gross premium (including any applicable surcharges) will be calculated based on the amounts of insurance and forms on the policy at the time the offer is generated. ~~All required information should be submitted with the payment and prior to the policy expiration date.~~

To renew a policy, the agent and policyholder should:

- review the renewal offer and [enter any desired changes to the renewal directly in the system](#) ~~verify that any changes that have been recently requested are included. If not, the changes will need to be entered into the system prior to payment.~~
- ~~enter any desired changes to the renewal directly in the system.~~
- [review the payment method in the The system](#) will default to ~~check or money order~~ [the method selected for the expiring policy](#). If this is correct, no further action is needed for payment to be received. ~~If the payment method will be EFT, eCheck, or premium finance, update the payment information in the system.~~ See "Payments" for more information.



Additional documents for New Business and Renewal

In addition to the items listed previously, which are required for submission to bind coverage, agents are also required to maintain evidence of the following information in their files, and submit the documentation to TWIA only at the request of the Association. Documents are to be maintained for a minimum of five years from the date the new business application is submitted to TWIA or renewal policy is issued by TWIA.

Declination of Coverage

Agents are required to maintain, and submit to TWIA at the request of the Association, evidence of one declination of coverage for the property insured by TWIA from an insurer authorized to engage in the business of, and writing, property insurance providing windstorm and hail insurance in the first tier coastal counties (this does not include excess and surplus lines carriers).

Evidence of declination of coverage may include either of the following:

1. A refusal from a standard market insurer to offer new or renewal wind and hail coverage on the property, or
2. A refusal from a standard market insurer to offer basic insurance sought by the applicant that is substantially equivalent to that offered by TWIA (for example, the lowest deductible offered by a standard market company is greater than that which can be obtained from TWIA).

Every three calendar years, the evidence of declination of coverage will need to be obtained in order to acquire renewal coverage with TWIA.

View these requirements in the Texas Administrative Code by visiting the Texas Secretary of State website: Title 28, Part 1, Chapter 5, Subchapter E, Division 10, 5.4903.

Flood Insurance

Agents are required to maintain, and submit to TWIA at the request of the Association, evidence of confirmation that flood insurance is in force for those policies where the structure is located in Zone V, Zone VE or Zone V1-V30, and was constructed, remodeled, or enlarged on or after September 1, 2009. Flood insurance must be available through the National Flood Program.

The flood insurance requirement does not extend to structures being repaired (TDI defines “repair” as meeting any reconstruction/restoration of an existing structure that is deteriorated or damaged).



View these requirements in the Texas Administrative Code by visiting the Texas Secretary of State website: Title 28, Part 1, Chapter 5, Subchapter E, Division 10, 5.4904.

Payment

Policyholder Payment Options

TWIA policyholders may choose to pay TWIA directly either online or by mail. TWIA policyholders may also choose to pay TWIA through their agent or mortgage company. The below payment options are available for new business, renewals, and additional premium policy changes.

Online Payment

~~TWIA policyholders have the option to pay TWIA online through a third-party website the Policyholder Portal. Policyholders can access the third party website by going to <https://www.twia.org/payments/> and clicking the “Pay Online” button.~~

~~If choosing this option, the policyholder can pay using the eCheck (Electronic Check) and Credit Card, Debit Card, or ATM Card payment methods described below. Policyholders will receive confirmation of their payment submission on the third party website and via a confirmation email. The payment will be applied to the policyholder's TWIA account within approximately 24 hours after of payment submission. Policies will be processed according to TWIA underwriting guidelines. Policyholders must register for a TWIA account prior to being able to make payments through the new Policyholder Portal. New policyholders will be invited to access the Policyholder Portal after their agent submits their application. Current policyholders with policies renewing from the legacy system into the new system will receive their invitation approximately 25-30 days in advance of their current policy expiration date.~~

~~Once their TWIA account is set up, policyholders can choose their payment options and make payments through the Policyholder Portal using the eCheck (Electronic Check) and Credit Card, Debit Card, or ATM Card payment methods described in the sections below by going to <https://www.twia.org/payments/> and clicking the “POLICYHOLDER PORTAL” button.~~

Note regarding policies still being serviced in TWIA’s legacy system:

~~Policyholders have the option to pay TWIA online through a third-party website. The third-party payment service will be available only for policies in the legacy system and until all business is transitioned from the legacy system to the Policyholder Portal.~~



Policyholders can access the third-party website by going to <https://www.twia.org/payments/> and clicking the “THIRD-PARTY PAYMENT SERVICE” button. If choosing this option, the policyholder can pay using the eCheck (Electronic Check) and Credit Card, Debit Card, or ATM Card payment methods described below.

eCheck (Electronic Check)

The eCheck process allows TWIA to electronically debit a policyholder’s account to collect the premium. The policyholder will be required to enter their TWIA Online Account Number, billing address ZIP code, contact information, bank account number, and bank routing number. ~~If the policyholder is paying for a commercial policy, they must include the "C" at the beginning of their account number on the payment web page.~~

There are no fees associated with this payment option. [Installments](#) are available through this payment option.

Credit Card, Debit Card, or ATM Card

The policyholder will be required to enter their TWIA Online Account Number, billing address ZIP code, contact information, and card information. Please note that non-U.S. postal codes are not accepted. ~~If the policyholder is paying for a commercial policy, they must include the "C" at the beginning of their account number on the payment web page.~~

The credit card processing company will charge a convenience fee. TWIA does not receive any funds from this fee. The fee is non-refundable. [Installments](#) are available through this payment option.

Additional Payment Options

Policyholders may also choose to pay TWIA by paper check, through their agent, or through their mortgage company. **Please note, if policyholders choose to pay TWIA through their agent or mortgage company, TWIA must receive payment from the agent or mortgage company prior to effecting coverage.**

Paper Check

The policyholder must mail the payment coupon provided by their agent or from their renewal packet along with their check.

There are no fees associated with this payment option. [Installments](#) are available through this payment option.



Through Their Agent

Please see the options available in the below "[Agent Payment Options](#)" section of the manual.

Through Their Mortgage Company

Policyholders may contact their mortgage company to discuss the payment options they provide.

Agent Payment Options

Agents receive the premium payment from the client, their mortgage company, or a premium finance company. The options below outline how agents can then pay TWIA. These options are available for new business, renewals, and additional premium policy changes.

Online Payment

Agents can pay the policy premium on behalf of their clients through [Policy Center](#) [the Agent Portal](#).

eCheck (Electronic Check)

The eCheck process allows TWIA to electronically debit a policyholder's account to collect the premium. The agent will be required to enter the policyholder's address, contact information, bank account number, and bank routing number.

There are no fees associated with this payment option. [Installments](#) are available through this payment option.

Payments by Electronic Funds Transfer (EFT)

The agent will be required to enter the policyholder's policy number, address, and contact information. The agent will also be required to enter the insurance agency's bank account and routing numbers.

There are no fees associated with this payment option. Installments are not available through this payment option.

TWIA requires that agencies register for EFT at twia.org under [Agent Login & Registration](#).

Additional Payment Options

Paper Check or Money Order

Agents must mail the payment coupon from Policy Center along with the check/money order (~~including the down payment check if premium financed through an insurance premium finance company other than Wellington~~) to TWIA.



There are no fees associated with this payment option. Installments are available through this payment option.

Premium Financing (Wellington and Other Financing Companies)

~~Premium Paid via Wellington Premium Finance, Inc.~~

~~Wellington Premium Finance, Inc. provides premium financing for both new and renewal policyholders of TWIA. For payment via Wellington Premium Finance, Inc., the premium finance agreement is considered payment for the purposes of binding coverage at application, along with an initial payment of at least 25%. Agents will need to submit the initial payment to TWIA and any applicable surcharges. Builder's risk applications cannot be financed through Wellington Premium Finance, Inc. and such submissions will be rejected and returned unbound.~~

~~Please contact a Wellington Marketing Representative at 800-880-0474 for more information, or go to <http://www.wellingtonpremiumfinance.com/> to complete a financing agreement, to be signed by the named insured.~~

~~Financed Premiums other than Wellington Premium Finance Inc.~~

~~Agents will need to submit a payment to TWIA that includes the down payment required by designate the premium finance company (including any applicable surcharges) and the amount financed by the premium financier and ensure that payment is made by the agent or premium finance company to TWIA.~~

Installments

Policyholders/applicants can pay for their policy in one, two, four, or ten payments. These payment plans are called TWIA Full Pay, TWIA 2 Pay, TWIA 4 Pay, and TWIA 10 Pay (Auto Draft). Once the policyholder/applicant chooses a payment plan, they cannot change it for the remainder of their policy term. The agent can submit the first payment on behalf of the policyholder/applicant if they choose TWIA Full Pay, TWIA 2 Pay, or TWIA 4 Pay. The policyholder/applicant must make any additional payments by an approved payment method.

TWIA will mail policyholders their policy packet upon receipt of the initial payment and a notice when it is time to make any additional payments.

Those who choose the TWIA 10 Pay plan must enable Auto Pay. Doing so authorizes TWIA to draft a payment from their account for any currently due and past due invoices. The policyholder/applicant must submit the initial payment. If Auto Pay is turned off, the payment plan will be changed from TWIA 10 Pay to TWIA 4 Pay. The TWIA 10 Pay plan will not be available for the remainder of the policy term.



For policyholders electing to use TWIA Full Pay and not an installment plan, payment submitted must be the full quoted premium (including any applicable surcharges).

Payment Plans at a Glance

<u>Payment Plan</u>	<u>TWIA Full Pay</u>	<u>TWIA 2 Pay</u>	<u>TWIA 4 Pay</u>	<u>TWIA 10 Pay</u>
<u>Payment Frequency</u>	<u>Once, when the policy is issued/renewed</u>	<u>Second payment due four months after the initial payment</u>	<u>Every three months</u>	<u>Monthly, for nine months after the initial payment</u>
<u>Percentage of Premium Required to be Paid* for TWIA to Issue or Renew a Policy*</u>	<u>100%</u>	<u>50%</u>	<u>30%</u>	<u>15%</u>

*plus any surcharges

~~Policyholders can pay for their policy in two installments. TWIA must receive 50% or more of the premium to issue or renew the policy. The remaining balance will be due in four months from the policy effective date. TWIA will mail policyholders their policy packet upon receipt of the first payment and a notice when it is time to make the second payment.~~

~~Once the policyholder chooses to pay by installments, they must keep the installment plan for the remainder of their policy term. If a policyholder chooses to pay for their policy in installments, their agent can only submit the first payment for them. The policyholder must make the second payment by one of the policyholder payment options.~~

~~For policyholders electing not use the installment plan, payment submitted must be the full quoted premium (including any applicable surcharges).~~

Commissions

Residential, Commercial, and Builder’s Risk policies pay the agent a 16% commission of the gross policy premium, excluding any applicable WPI-8 Waiver surcharges.



Manufactured Home policies pay the agent a 12% commission of the gross policy premium.

Maximum Limits of Liability

TWIA policies are subject to a maximum limit of liability. The maximum limits of liability have been set and approved for the items below. The following maximum limits of liability are set for policies effective on or after January 1, 2016:

Dwellings

1. \$1,773,000 for a dwelling and the personal property located in or about the dwelling
2. \$1,773,000 for a farm and ranch dwelling and the personal property located in or about the farm and ranch dwelling
3. \$1,773,000 for a townhouse unit and the personal property located in or about the townhouse unit when rated as a dwelling
4. \$374,000 for individually owned personal property located in an apartment, residential condominium or townhouse unit that is occupied by the owner of that property

Commercial Risks

1. \$4,424,000 for each commercial building/structure and the business personal property located in the building/structure, except farm and ranch dwellings and outbuildings used solely in connection with the farm and ranch dwelling
2. \$4,424,000 for each building for an apartment, residential condominium or townhouse and the business personal property of the owner of the structure in which the apartment, condominium or townhouse is located
3. \$374,000 for individually owned business personal property located in an apartment, residential condominium or townhouse unit that is occupied by the owner of that property

Manufactured Homes

1. \$96,600 for each manufactured home and the personal property in the home



Minimum Amount of Coverage

For both residential and commercial policies, coverage selected must be at least 80% of the actual cash value. Policy Center will automatically display a message if the coverage amount entered at application or calculated at renewal falls below 80% of the actual cash value, requiring the coverage limit to be raised.

Photographs

- A photograph may also be requested by TWIA as needed to verify underwriting criteria.
- Photographs of poor quality (out of focus, poor resolution, exposure insufficient to reasonably show property condition, etc.) will not be accepted.

Inspections

All properties are subject to inspection at any time, and coverage may be affected by the outcome of an inspection. Failure to allow inspection may result in cancellation of coverage.

Replacement Cost Valuation

A current replacement cost calculation ~~accepted by TWIA~~ is required for all residential dwellings and commercial structures, on new business applications or at any time during the policy period upon request by TWIA Underwriting. An access link is available ~~at <http://www.twia.org/> in the following two places:~~

- ~~1. [The Training and Resources page under the Agents section](#)~~

~~When completing “item” information in the coverage section of an Agent Portal & Policy Center new business submission and on a Policy Center renewal transaction in the Agent Portal, when completing a submission or modifying a policy.~~



Agent/Agency License Information

To write coverage through TWIA, an agent/agency is required to hold a General Lines Agent-Property & Casualty license. An agent/agency name and address will be listed in the TWIA database exactly as registered with the Texas Department of Insurance (TDI). If you wish to use a name and/or address that is different than shown on your license, this information will need to be updated with TDI. To request changes, contact TDI at 512-676-6500 or visit their website at <http://www.tdi.texas.gov/> to obtain additional information and required forms.

TWIA will require the following to complete our files:

- a copy of your General Lines Agent-Property & Casualty license
- a copy of your dba and/or branch location registration on file with TDI (if using a name and/or address other than shown on your license)
- a completed W-9 form (Refer to the form for instructions)

Note: Agent Portal applications need to show your current license number and your tax identification number or social security number in the spaces provided. This information is also needed when changing the agent of record on a renewal application.

Federal Coastal Barrier Resources Zone

All residential structures—other than a condominium, apartment, duplex, or other multifamily residence, or a hotel or resort facility—that are located within those areas designated as units under the Federal Coastal Barrier Resources Act (Public Law 97-348) and for which a building permit or plat has been filed with the municipality, the county, or the United States Army Corps of Engineers prior to June 11, 2003, shall be considered insurable property, subject to other normal underwriting criteria.

Policy Changes

All changes must be submitted electronically through [the Agent Portal and](#) Policy Center. Some changes [will may](#) require documents to be uploaded at the time the change request is submitted. Otherwise, you may upload documents at any time via the document uploader.



Policy Change Criteria

When requesting an increase in amount of insurance, provide the following:

- requested effective date (refer to the Effecting Coverage portion of this manual);
- amount of increase desired, and;
- an new updated replacement cost calculation ~~accepted by TWIA~~ if replacement cost value has changed.

Note: If the increase is due to a structural addition the following is also required:

1. A certificate of compliance for the addition and
2. new total area (including the addition)

~~When adding a new item, the following is required:~~

- ~~• requested effective date (Refer to the Effecting Coverage portion of this manual);~~
- ~~• amount of insurance desired;~~
- ~~• complete description of item, e.g., number of stories, type of roof and construction type;~~
- ~~• property location addresses;~~
- ~~• occupancy;~~
- ~~• total area;~~
- ~~• a current replacement cost calculation accepted by TWIA for a building;~~
- ~~• coinsurance desired;~~
- ~~• deductible desired;~~
- ~~• Certificate of Compliance or, if applicable, POOL-BC 10-85 or Engineer's Statement and~~
- ~~• ISO Loss-Cost report showing the BGI indication on superior construction for commercial items.~~

~~When requesting a decrease in coverage or deleting an item, provide:~~

- ~~• date deletion or reduction is to be effective;~~
- ~~• reason for deletion or reduction; and~~
- ~~• the amount of coverage desired.~~

Miscellaneous endorsement requests:

- For other types of requests, such as changing the named insured, the mortgagee, etc., provide a request stating the desired effective date.



Cancellations

1. Cancellations that originate from the agent's office must be submitted electronically through [the Agent Portal or](#) Policy Center.
2. Requests that originate directly from the named insured, the premium finance company, or the mortgage company can be sent via fax, email, or regular mail.

Agent Originated Cancellations

When requesting a policy cancellation, [state-select](#) the reason for the cancellation and [provide](#) the requested effective [date by using one of the following methods for cancellation and provide any required documentation.](#):

~~A written request signed by the named insured~~

~~A request for TWIA to send a 14-day Notice of Cancellation~~

Note: When a cancellation reason is not given, the policy will be cancelled on the date received or a later date, subject to the minimum earned premium per policy. Refer to cancellation guidelines in the Texas Windstorm Insurance Association policy for additional information.

When coverage has been rewritten or there is duplicate coverage:

When the TWIA policy is being cancelled due to the coverage being rewritten [in the private market](#) or due to duplicate coverage, a copy of the policy providing the duplicate coverage or the company name, policy number, and term of the duplicate coverage is required.

When there is an NSF check to the agent:

At the agent's request, a notice of cancellation (NOC) will be sent if the agent receives an insufficient funds check as payment on an application. Coverage will be cancelled on the effective date indicated on the NOC, giving the appropriate number of days' notice.

Cancellations from the Premium Finance Company Cancellation Requests

The premium finance company holds an irrevocable power of attorney, authorizing the premium finance company to request cancellation of the policy on behalf of the insured if the insured defaults on the payment of the premium. Refer to the "Important Notice on Premium Financed Policies" of the [Minimum Premium](#) section for additional information regarding cancellation of premium financed policies.



The insurance contract shall be cancelled as if the insured(s) had requested cancellation, except that the return of the original policy or completed Lost Policy Voucher is not required. Coverage will be cancelled as to the insured(s) on the date the request for cancellation is received by TWIA (or a later date if requested). Termination of the loss payee's interests, if a loss payee has been identified to TWIA, will be determined according to the mortgage clause of the policy. The policy cancelled at the request of the Premium Financier for non-payment cannot be reinstated. A new application will be required if coverage is desired.

Mortgagee Cancellation Requests

In the event a property is foreclosed on, the mortgagee/loss payee can request that the policy be cancelled. Unearned premium for policies cancelled due to foreclosure is refunded, to the mortgagee/loss payee.

Commercial Insurance

Deductibles

The only commercial deductibles available for new and renewal policies are 1%, 2%, or 5% per item, per occurrence as indicated by the table located in the "Deductible" portion of the "Commercial Rating" section of the TWIA Rating Rules Manual. This is mandatory on all items rated from commercial rate tables A, B, or C, and also for all Farm & Ranch barns and miscellaneous farm property. The appropriate commercial deductible will be applied without the attachment of an endorsement form. Multiple deductibles on a policy are not allowed. Both the deductible amount and the amount of credit are based on the insurance amount of each individually rated commercial item. The credits listed in the TWIA Rating Rules manual shall be applied to the commercial rates printed in that manual.

Values in excess of TWIA Limit/Insuring the deductible on an excess policy

If the statutory amount of insurance is not in compliance with the coinsurance requirement, or if the TWIA policy insures the deductible on an excess policy, the premium will need to be calculated by applying the First Loss Scale Formula set forth in the TWIA Rating Rules manual. Please refer to the First Loss Scale Formula table in the TWIA Rating Rules manual.



Replacement Cost Endorsement Form TWIA-164

Form TWIA-164 provides replacement cost coverage for commercial property, building and business personal property, excluding dwellings and their contents, and builders risk. This Replacement Cost Endorsement may be extended to cover the difference between actual cash value and the cost of repair or replacement without deduction for depreciation. While there is no additional premium for this endorsement, 80% or more of the replacement cost value must be carried as the amount of insurance to be eligible for this form when using the 80% coinsurance rates (or 100% of the replacement cost must be carried when using the 100% coinsurance rates) unless the first loss scale formula is being used based on the replacement cost.

Replacement Cost Excluding Roof Endorsement Form TWIA-165

Form TWIA-165 provides replacement cost coverage for the building, except for the roof. The form does not provide replacement cost coverage for roof coverings showing signs of significant deterioration or damage.

The form can be requested or applied to the policy at TWIA's discretion.

Increased Cost of Construction (ICC) Form TWIA-432

Increased Cost of Construction (ICC) coverage is available for Commercial structures (excluding all builders risk) to cover the increased cost of construction due to the enforcement of any ordinance or law. An insured may select one of the limits of liability for each structure item from the ICC located in the TWIA Rating Rules Manual.

Business Income Coverage (BI) Form TWIA-17

Business Income coverage is applicable to all commercial risks (excluding builder's risk, vacant buildings, and condominium association buildings unless the association owns the condominium units), as defined in this manual. Coverage may be provided on new applications or may be added to existing policies by endorsement.

- The available daily limit for any building location is \$50 minimum to \$1,000 maximum per day.
- The number of days covered must be between 60 and 365 days (in 30 day increments unless 365 days is requested).



- The maximum amount of Business Income coverage available is \$100,000. Combinations where the daily limit and number of days exceed \$100,000 are not permitted.
- Business Income coverage is not available on a stand-alone basis; the Association must also provide the direct coverage.
- The premium for Business Income coverage will be calculated using the 80% coinsurance building rate and will be based on the occupancy of the risk. The occupancy should be shown on the Form TWIA-17 Schedule.
- The number of units per building needs to be shown when insuring apartments.
- All Business Income premiums will be fully earned, except for cancellation of the policy or removal of the item where the coverage exists.
- There will be a waiting period (deductible) of 168 hours (7 days) after the loss before the coverage applies.
- This coverage is additional insurance; however, in no event will payment of a covered loss, including this endorsement, exceed the total TWIA maximum limit of liability established by law.
- A maximum of \$10,000 "Extra Expense" coverage will be included when Business Income coverage has been selected. This pays for additional expense incurred to avoid or minimize the suspension of the operation. This payment does not affect the daily limit specified in the Business Income schedule in the TWIA Rating Rules manual.

Builder's Risk Coverage

When submitting a New Business Builder's Risk application:

- attach a photograph of the structure or, if new construction has not begun, the vacant land.
- indicate the complete date (month, day, and year) construction began or is to begin. (Construction officially begins when materials are delivered to the building site, exclusive of fill dirt and the grading of land.)
- indicate whether the application covers repairs and/or improvements.
- indicate whether the application covers an addition to the building. Also inform TWIA if the addition exceeds 10% of the original grade floor area.

Form TWIA-21 (Actual Completed Value Form):

For Form TWIA-21 to be applicable:

- coverage will need to be bound on or before the date construction begins with no lapse in coverage;



- the estimated completed cost cannot exceed the TWIA limit of liability, and
- the coverage cannot extend to the original structure when insuring repairs and improvements.

Form TWIA-18 (Stated Value Form):

Form TWIA-18 must be used when:

- construction has already commenced or there has been a lapse in coverage;
- the estimated completed cost exceeds the TWIA limit of liability (coinsurance will need to be waived); or
- the application covers both the original structure and the repairs and improvements that are being made.

Commercial Insurance Parameters

- An apartment risk containing one or two separate units arranged as private residences and permanently equipped for housekeeping may be insured under a commercial insurance policy when the commercial insurance policy provides coverage for an apartment association.
- A townhouse risk containing one or two separate units arranged as private residences and permanently equipped for housekeeping may be insured under a commercial insurance policy when the commercial insurance policy provides coverage for a townhouse association.

Church, Lumber Yard, and School Forms

No blanket coverage is available. Specific buildings and their contents can be combined by using one of the following forms:

[Church Form TWIA-26](#)

[Lumber Yard Form TWIA-115](#)

[School Form TWIA-176](#)

These forms are available at www.twia.org under [Policy Forms & Endorsements](#)



Residential Insurance

Policies with Multiple Risk Items and/or Property Locations

Residential and Builder's Risk policies written with TWIA cannot have multiple risk items and/or property locations covered under the same policy. Each risk item and property location must be written on its own separate policy.

Residential and Builder's Risk policies renewing from TWIA's legacy system with multiple risk items and/or property locations covered under the same policy must be rewritten at renewal to have each risk item and property location written on its own separate policy.

Dwelling and Farm & Ranch Deductible

Apply any applicable deductible debit or credit to the Adjusted Premium, independent of any other adjustment

A. Dwelling Standard 1% deductible clause – Modified Extended Coverage premiums beginning at Dwelling/Farm and Ranch Dwelling Building and Personal Property (Territory 1) in the TWIA Rating Rules manual are based on this option

- 1% deductible, but not less than \$100
- Applies to dwelling, personal property, and dwelling outbuildings
- ~~Applies on a per item basis~~

B. Dwelling: \$100.00 deductible clause - Refer to the Deductible Adjustment Schedule in the TWIA Rating Rules manual

- Flat \$100 deductible
- Applies to dwelling, personal property, and dwelling outbuildings
- ~~Applies on a per item basis~~

C. Dwelling: \$250.00 deductible clause - Refer to the Deductible Adjustment Schedule in the TWIA Rating Rules manual

- Flat \$250 deductible
- Applies to dwelling, personal property, and dwelling outbuildings
- ~~Applies on a per item basis~~



D. Dwelling Optional Large Deductible -- Refer to the Optional Large Deductible Schedule in the TWIA Rating Rules manual

- Deductible Amounts of 1.5%, 2.0%, 2.5%, 3.0%, 4.0%, or 5.0%
- Applies to dwelling, personal property, and dwelling outbuildings
- ~~Applies on a per item basis~~
- Insurance amount must be \$25,000 or more.

Indirect Loss Endorsement and Percentages

The factors shown in the “Indirect Loss Endorsement and Percentages” table located in the TWIA Rating Rules manual are available based on the coverage(s) provided by the type of companion policy to which the windstorm exclusion endorsement has been attached and the occupancy of the risk. ~~Also, where applicable, wind driven rain coverage may be included or excluded with the corresponding percentage factors applied to the Modified EC Premium.~~ For items where there is no other companion ~~policy,~~ no indirect loss endorsements are available to the applicant/policyholder. multiply the Modified EC Premium times the amount listed in the TWIA Rating Rules manual.

Building Code Credits

The credits listed in the TWIA Rating Rules manual shall be provided to dwelling policies where the dwelling was constructed to or exceeded the standards of the Building Code for Windstorm Resistant Construction or the International Residential Code /International Building Code as modified by the Texas Department of Insurance (TDI). The certificate of compliance will indicate the code to which the structure was built. Credits will be applied per the table located in the TWIA Rating Rules manual, with the IRC/IBC code credits applied to policies effective on or after 07/31/2003 as appropriate. Retrofit credits apply to homes built prior to 09/01/1998 and retrofitted with exterior opening protections that meet the windborne debris criteria standards of either the Building Code for Windstorm Resistant Construction, the International Residential Code, or the International Building Code.

Adjusted Building Cost Endorsement Form 220

Upon renewal, the coverage amount (limit of liability) on the dwelling will be increased by a percentage that is established by a building cost index for the property location. The adjusted limit of liability will be rounded up to the next \$1000. The dwelling limit is subject to the maximum limit of liability permitted by law.



The percentage increase in the dwelling limit of liability is established annually. It will be applied to the limit of liability for your dwelling at each renewal. The percentage increase is only an adjustment for inflation to the dwelling limit of liability on the expiring policy and does not ensure that the dwelling is adequately insured for the dwelling's full replacement cost.

The automatically adjusted dwelling limit of liability is shown on the renewal offer that is sent approximately ~~60~~35 days before expiration of the policy.

The insured has the right to request modification of the automatically adjusted dwelling limit of liability.

If the insured requests modification of the adjusted dwelling limit of liability, the request will take effect on the date a renewal policy becomes effective if it is received by TWIA prior to the effective date of a renewal policy. Requests for a modification of the adjusted dwelling limit of liability that are received by TWIA on or after the effective date of a renewal policy will become effective the date the request is received by TWIA.

The limits of liability for Additional Living Expense and other, optional extensions of coverage that are based on the limit of liability for the dwelling, if applicable, will also be adjusted, subject to the maximum limit of liability permitted by law.

It is the agent/insured's responsibility to review the coverage regularly and make sure the dwelling limit of liability is adequate to repair or replace the insured property. This endorsement and any changes that result from it do not guarantee that the policy will have adequate coverage. Only the agent/insured can determine the appropriate amount of coverage. Endorsement TWIA-220 does not automatically renew your policy.

Replacement Cost Endorsement TWIA-365

Form TWIA-365 provides replacement cost coverage on residential personal property. This form is void if the appropriate replacement cost form is not attached to the companion dwelling, homeowners, farm and ranch owners, condominium owners, or tenant HO, TDP, or FRO policy to which the windstorm exclusion endorsement is attached Evidence will be required when a claim is submitted.

Actual Cash Value Roof Endorsement TWIA-400

Note: This endorsement is not available for policies becoming effective on or after January 1, 2020 (see TWIA Endorsement 804).



Apply a credit in the amount listed in the TWIA Rating Rules manual to the Modified EC premium, independent of any other adjustments.

The Actual Cash Value Roof Endorsement, Form TWIA-400, provides Actual Cash Value coverage for a roof covering, and will be attached to dwelling policies which have roof coverings that:

- are curling, cracking, or missing shingles;
- show signs of significant deterioration; or
- exceed 15 years of age.

When applying Form TWIA-400, the deductible amount cannot exceed 1% of Coverage A (dwelling) limit of liability. A credit in the amount listed in the TWIA Rating Rules manual will be applied to the Modified Extended Coverage building premium (hereinafter referred to as Modified EC premium) upon receipt of the endorsement Form TWIA-400, signed by the insured. Failure to sign the endorsement may result in policy cancellation due to the property being considered uninsurable through the Association without a signed endorsement.

Note: The provisions of this form will not supersede the requirement that all items must be in insurable condition for coverage to be provided through TWIA.

Cosmetic Damage to Roof Coverings Caused by Hail Exclusion Form TWIA-420

The below form is to be used with Form TWIA-420, which may be attached only to policies insuring risks eligible and receiving a credit for the installation of impact resistant roof coverings.

Roofing Installation Information and Certification for Reduction In Residential Insurance Premiums

NOTICE TO HOMEOWNER. Completion of this certificate will entitle you to a reduction in your residential Insurance premium. This certification form is solely for the purpose of enabling residential property owners to obtain a reduction in their residential Insurance premium and It is not to be construed as an e of express or implied warranty by the manufacturer, supplier or installer.

Name of Roofing Company: _____

Street Address: _____

City: _____ County: _____ Zip Code: _____

Phone: _____ License Number If Any: _____

Address of Residence (Installer must complete the following information before signing form)

Name of Owner: _____ Home Phone: _____

Address: _____ Office Phone: _____

City: _____ County: _____ Zip Code: _____



I, _____, an authorized representative of
Print Name

_____ roofing company, do hereby certify that I have
Print Name of Company

installed in accordance with the manufacturer's specifications on the above described residence a roof covering listed as complying with Underwriters' Laboratory Standard 2218, Impact Standard for Impact Resistance of Prepared Roof Covering Materials, with an impact resistance Classification of:

Class 1	<input type="checkbox"/>	Class 2	<input type="checkbox"/>	Class 3	<input type="checkbox"/>	Class 4	<input type="checkbox"/>
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Manufacturers' Name: _____

Year Manufactured: _____

Brand Name: _____

Date of Installation: _____

Labeling of Products: The roof covering installed on the above described residence bears the following label: CHECK ONE BELOW

The roof covering product packaging indicates the U.L. classification under U.L. Standard 2218, the manufacturer's name, the date of manufacture, and the brand name. A label from the packaging has been supplied to the owner of the residence.

Each individual shingle, tile, shake, panel, sheet, etc. of roof covering is separately labeled with the U.L. Standard 2218 classification and with the manufacturer's name, the date of manufacture, and brand name.

NOTE: After January 1, 1999 all individual shingles, tiles, shakes, panels, sheets, etc. must be labeled with the information outlined above.

Original Signature of Roofing Company's Authorized Representative

Date

ONE COPY TO BE RETAINED BY HOMEOWNER

SECOND COPY TO INSURANCE COMPANY

Prescribed by the Texas Department of Insurance

Form No.

Any intentional misrepresentation relating to the completion or presentation of this form constitutes fraud.

Effective June 1, 1999

Residential Increased Cost of Construction Form TWIA-431

- Increased Cost of Construction (ICC) coverage is available for residential structures to cover the increased cost of construction due to the enforcement of any ordinance or law.
- An insured may select one of the limits of liability for each structure item from the ICC located in the TWIA Rating Rules manual.

Replacement Cost Coverage A (Dwelling) Form TWIA-802

This endorsement is available for policies becoming effective on or after January 1, 2020.



The Replacement Cost Coverage A (Dwelling), Form TWIA-802, provides Replacement Cost Coverage for a dwelling. It will be applied to the policy automatically by the system if at the time of application, the amount of insurance coverage selected by the agent is equal to or greater than 80% of the estimated replacement cost.

Replacement Cost Coverage A (Dwelling) – Actual Cash Value Roofs Form TWIA-804

This endorsement is available for policies becoming effective on or after January 1, 2020.

Apply a credit in the amount listed in the TWIA Rating Rules manual to the Modified EC premium, independent of any other adjustments. Policies with this endorsement must have a TWIA deductible of 1% or less of coverage A.

The Replacement Cost Coverage A (Dwelling) – Actual Cash Value Roofs, Form TWIA-804, provides Replacement Cost Coverage for a dwelling and Actual Cash Value coverage for a roof covering, and will be attached to dwelling policies which have roof coverings that:

- are curling, cracking, or missing shingles;
- show signs of significant deterioration; or
- exceed 15 years of age.

When applying Form TWIA-804, the deductible amount cannot exceed 1% of Coverage A (dwelling) limit of liability. A credit in the amount listed in the TWIA Rating Rules manual will be applied to the Modified Extended Coverage building premium (hereinafter referred to as Modified EC premium) upon receipt of the endorsement Form TWIA-804, with signed acknowledgement by the insured. Failure to sign the acknowledgement may result in the property being uninsurable through the Association.

Note: The provisions of this form will not supersede the requirement that all items must be in insurable condition for coverage to be provided through TWIA.

Specified Building or Structure Exclusion Form TWIA-810

This endorsement is available for new business policies becoming effective on or after April 18, 2022 and renewal policies becoming effective on or after July 18, 2022.

This endorsement may be attached to any policy as a condition of issuance under the following circumstance:



1. A outbuilding is not in insurable condition and all other underwriting qualifications are met

Windstorm Certificate of Compliance Waiver Program

The Windstorm Certificate of Compliance Waiver program allows specific residential dwellings to qualify for coverage without the submission of one or more certificates- of compliance. All structures and/or their contents that qualify under this program will be issued at the appropriate TWIA premium plus a surcharge in the amount listed in the TWIA Rating Rules manual and will not be eligible for credits for building code compliance. The surcharge is both non-commissionable and non-refundable, and will be calculated from, and added to, the final total premium.

Refer to [TWIA WPI-8 Waiver Program for Residential Dwelling](#) for additional information and eligibility criteria.

Mandatory Roof Covering Credits and Exclusion of Cosmetic Damage to Roof Covering

Residential roof covering credits apply to the building item when replacement of the existing roof covering or new residential construction is in compliance with U.L. Standard 2218 and is classified within one of the four resistance classifications shown in the grid in the TWIA Rating Rules manual. Other standards, which are recognized and approved by the Texas Department of Insurance, are also acceptable. The class of roof, the date installed, and the territory are necessary to calculate the credit.

The Cosmetic Exclusion endorsement will be attached to any policy, which insures a residential building, to which the Mandatory Roof covering credit has been applied. The form needs to be signed by the insured. Refusal by the insured to sign the endorsement will result in revocation of any applicable roof covering credit. The signed endorsement will have to be submitted to the Association prior to the applicant receiving a credit.

See the TWIA Rating Rules manual for the table listing the credits.

Values in Excess of Association Limit or When Insuring on an Excess Policy

If the statutory amount of insurance is not in compliance with the coinsurance requirement, or if the TWIA policy insures the deductible on an excess policy, the premium can be calculated by applying the First Loss Scale Formula set forth in the TWIA Rating Rules manual (Refer to the First Loss Scale Formula and the dwelling rating example in the TWIA Rating Rules manual for waiving coinsurance).



Building Certification

A building certification is not required if the original structure, additions, repairs, or structural alterations were commenced prior to June 1, 1972.

POOL-BC-10-85 Form:

Required if the original construction, addition, structural repair, or structural alteration was commenced on or after June 1, 1972 and prior to January 1, 1988.

- A copy of the [POOL-BC-10-85](#) form can be found on the TWIA website.

Exemption (from obtaining POOL-BC-10-85):

1. Inside City Limits:

A structure that is located in an area covered at the time by a building code recognized by the Association shall be considered an insurable property for windstorm and hail insurance from the Association without compliance with the inspection or approval requirements of this section or the Plan of Operation.

2. Prior Windstorm Coverage through a Texas Licensed Company or TWIA:

A structure that is located in an area not covered by a building code recognized by the Association shall be considered an insurable property for windstorm and hail insurance from the Association without compliance with the inspection or approval requirements of this section or the Plan of Operation if that structure has been previously insured by a licensed insurance company authorized to do business in this state or TWIA and the risk is in essentially the same condition as when previously insured, except for normal wear and tear, and without any structural change other than a change made according to code. Evidence of previous insurance includes a copy of a previous policy.

- Acceptable evidence verifying previous coverage through TWIA is required.



Certificate of Compliance (WPI-8 & WPI-8-C):

Required if the original construction, addition, structural repair or structural alteration commenced on or after January 1, 1988.

- **WPI-8 form:**
 - Issued by the Texas Department of Insurance (TDI) for on-going construction.
 - Requirements for the issuance of the form can be found on TDI's website under [Windstorm Inspection Program](#).
 - The issued form can be found on TDI's website under [Certificate of Compliance \(WPI-8\) Search](#).

- **WPI-8-C form:**
 - Issued by the Texas Windstorm Insurance Association (TWIA) for completed construction for WPI-3 applications received from January 1, 2017 to May 31, 2020.
 - Requirements for the issuance of the form can be found on [TWIA's website](#).
 - For a copy of the issued form, call TWIA at 1-800-231-5360.

Note: Following law changes, TWIA will not accept WPI-3 applications nor issue WPI-8-Cs after May 31, 2020. Beginning June 1, 2020, all windstorm certificates of compliance for completed construction are issued by TDI.

For coverage requests, a policy will be issued and the certificate of compliance will be due within 30 days of the policy inception date if an Inspection Verification Form (WPI-2) or a Request for Certificate of Compliance form (WPI-3) is provided for any certificates of compliance that are required.

Harris County Exception:

For property located east of the boundary line of State Highway 146, situated inside the city limits of a city listed below, and where original construction, additions, structural repairs, or structural alterations were between the beginning and ending dates listed below, a Building Official statement is preferred.

TWIA may accept alternative documentation as evidence that the structure complies with the applicable building code for construction commencing during the periods indicated below. When using alternative documentation, it must contain a certification that, the construction is in compliance with the TWIA Inland Building Code (1973 Edition State Building Code).



City:	Beginning Date:	Ending Date:
Seabrook	1-1-1988	3-1-1996
La Porte	1-1-1988	3-1-1996
Morgan's Point	1-1-1988	6-1-1996
Pasadena	1-1-1988	3-1-1997
Shore Acres	1-1-1988	3-1-1997

For construction after the Ending Date shown above a [certificate of compliance](#) is required.



WPI-8 Waiver Program for Residential Dwelling

The certificate of compliance requirement can be waived for the owner of a 1 or 2 family dwelling who does not have certificates of compliance for construction that began on or after January 1, 1988 but before June 19, 2009. Policyholders must pay a surcharge equal to the percentage of the policy premium listed in the TWIA Rating Rules manual.

Basic Requirements:

- The WPI-8 Waiver surcharge is not a commissionable item, and is not refundable to the policyholder. If coverage is increased during the policy term, the appropriate additional surcharge will be added, however, should coverage be decreased during the policy term, there is no refund of surcharges previously paid. If all missing certificates of compliance are provided there will not be a return of surcharge already paid during the current policy term; however, the surcharge will not be applied at the next renewal.
- While the WPI-8 waiver surcharge(s) will be noted as a separate item on the policy declarations page(s), failure to pay the surcharge constitutes failure to pay premium for purposes of policy cancellation.
- When submitting applications, agents need to advise TWIA whether or not they want their policies issued under the WPI-8 Waiver Program by noting that the waiver should be applied.

Eligibility criteria:

1. Comply with the mandatory building code requirements to secure a certificate of compliance on all alterations, additions, repairs, or new construction on or after June 19, 2009;
2. Meet the [declination requirements](#);
3. Meet the [flood insurance requirements](#); and
4. Satisfy all other Association Underwriting requirements, including maintenance of the structure in an insurable condition.

Certification and Eligibility Exception (TIC 2210.259)

The association may insure a residential structure constructed, altered, remodeled, enlarged, repaired, or added to on or after June 19, 2009, that is not in compliance with the applicable building code standards, as set forth in the plan of operation, provided that:



- 1) the structure had been insured on or after June 19, 2009, by an insurer in the private market that canceled or nonrenewed the insurance coverage of the structure;
- 2) the applicant provides to the association proof that insurance coverage that was issued to the applicant or the previous insured for the structure was canceled or nonrenewed in the private market as described by Subdivision (1); and
- 3) no construction, alteration, remodeling, enlargement, or repair of, or addition to, the structure occurred after cancellation or nonrenewal of the coverage and before submission of an application for coverage through the association.

These individuals applying for TWIA coverage will pay premium for basic coverage equal to the amount listed in the TWIA Rating Rules manual.

Note: Applicants who are non-renewed or cancelled by their private market insurer that have all of the required Certificates of Compliance or where the missing Certificates of Compliance are for repairs prior to June 19, 2009 are not eligible for this program.

- Applicants are required to provide a copy of their non-renewal or cancellation letter and a copy of the prior policy's declarations page that details the coverage and premiums in order to be eligible for this exception. This can include proof that insurance coverage was issued to the applicant or the previous insured for the structure that was cancelled or non-renewed in the private market.

Exempted Historic Structures

Repairs, alterations and additions that are necessary for the preservation of a historic structure do not require a certificate of compliance. In order for a historic structure to be exempted, at least one of the following must apply:

- The structure is listed or is eligible for listing on the National Register of Historic Places.
 - The structure is a Recorded Texas Historic Landmark (RTHL).
 - The structure has been specifically designated by official action of a legally constituted municipal or county authority as having special historical or architectural significance, is at least 50 years old, and is subject to the municipal or county requirements relative to construction, alteration, or repair of the structure, in order to maintain its historical designation.
 - A structure with a Windstorm Exception Application (WEA-1) is an example of this.
- A copy of the [WEA-1](#) can be found on the TWIA website.



Building Code Diagram

<u>Construction prior to 1972</u>	<u>Construction commenced 6/1/1972 – 12/31/1987</u>	<u>Construction commenced 1/1/1988 - present</u>												
<p>All construction (including original construction, repairs, alterations, and additions) that commenced prior to 6-1-1972 is “grandfathered,” and does not require certification.</p>	<p><u>POOL-BC-10-85</u></p> <p><u>Exemption:</u></p> <ul style="list-style-type: none"> • Inside City Limits* • Prior Coverage* 	<p><u>Certificates of Compliance</u></p> <p>Exceptions:</p> <ul style="list-style-type: none"> • <u>Harris County</u> A statement from the local building inspector, an engineer, or an architect will be accepted for construction between the following dates: <table border="0"> <thead> <tr> <th>Location*</th> <th>If Constructed</th> </tr> </thead> <tbody> <tr> <td>Seabrook</td> <td>1-1-88 to 3-1-96</td> </tr> <tr> <td>LaPorte</td> <td>1-1-88 to 3-1-96</td> </tr> <tr> <td>Morgan’s Point</td> <td>1-1-88 to 6-1-96</td> </tr> <tr> <td>Pasadena</td> <td>1-1-88 to 3-1-97</td> </tr> <tr> <td>Shore Acres</td> <td>1-1-88 to 3-1-97</td> </tr> </tbody> </table> <p>*Inside the city limits of these cities and East of Highway 146.</p> <p>Construction after the dates shown above will require a Certificate of Compliance.</p> <ul style="list-style-type: none"> • <u>WPI-8 Waiver Program</u> Construction from 1/1/1988 to 6/19/2009. Missing at least one Certificate of Compliance. • <u>Exception 2210.259</u> Cancelled or non-renewed through the standard market on or after 6/19/09 – 12/31/15 and missing at least one Certificate of Compliance from this time period. • <u>Exempted Historic Structure</u> No certificates are required 	Location*	If Constructed	Seabrook	1-1-88 to 3-1-96	LaPorte	1-1-88 to 3-1-96	Morgan’s Point	1-1-88 to 6-1-96	Pasadena	1-1-88 to 3-1-97	Shore Acres	1-1-88 to 3-1-97
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Items Not Requiring an Inspection

TWIA Supplemental Certificate of Compliance Information

The following items do not require an inspection for compliance for the purposes of windstorm and hail insurance coverage through the Texas Windstorm Insurance Association provided that any repairs, replacements, or procedures are made with like kind and quality materials, fasteners and craftsmanship as compared to the structure before the repairs, replacements, or procedures are made, and as compared to the parts of the building which are not repaired. In addition, if no structural change is made, the initial installation or replacement of the listed items may be made without requiring an inspection. For additional information regarding this list call TDI at 800-248-6032.

Please see link for updated list beginning on page 3:

<http://www.tdi.texas.gov/rules/2016/documents/order4541.pdf>

1. Repairs to roof coverings with a cumulative area of less than 100 square feet (one square), not involving roof decking or framing members,
2. Repairs or replacement of gutters,
3. Replacement of decorative shutters,
4. Repairs to breakaway walls,
5. Fascia repairs,
6. Repairs to porch and balcony handrails and guardrails,
7. Repairs to stairways/steps and wheelchair ramps,
8. Protective measures before a storm,
9. Temporary repairs after a storm,
10. Leveling and repairs to an existing slab on grade foundation, unless wall and/or foundation anchorage is altered or repaired,
11. Leveling of an existing pier and beam foundation or piling foundation, if no repairs are made,
12. Fence repair,
13. Painting, carpeting, and refinishing,
14. Plumbing and electrical repairs,
15. Repairs or replacement of preformed flanges with a collar or sleeve used for mechanical, plumbing, or electrical roof penetrations,
16. Repairs to slabs poured on the ground for patios (including slabs under homes on pilings),
17. Repairs or replacement of soffits less than 24 inches in width,



18. Repairs or replacement of non-structural interior fixtures, cabinets, partitions (non-loadbearing), surfaces, trims or equipment,
19. Replacement of glass in windows or glass doors or replacement of exterior side-hinged doors not involving the frames provided that the area is less than 10% of the surface area of the affected side (elevation) of the structure,
20. Repairs or replacement of exterior wall coverings provided that the area is less than 10% of the surface area of the affected side (elevation) of the structure,
21. Repairs or replacement of storm doors or screen doors (a supplemental door installed on the outside of an exterior door).

Manufactured Homes

General Qualifications

To qualify for coverage through this association the manufactured home must be:

- occupied solely as a dwelling
- 8 body feet or more in width and 32 body feet in length (excluding tongue)
- properly blocked and tied

To determine if the building is a manufactured or modular home, there is a label found on the home that denotes the actual building type.

- A red and silver label denotes a manufactured home.
- A blue and silver label with a state star on it denotes a modular home.

If the risk is a modular home, then regular dwelling premiums and dwelling rules apply.

Approval Report

An approval report may be obtained from the Texas Department of Housing & Community Affairs (TDHCA) and a [Notice of Installation \(Form T\)](#) completed if the home has been blocked and tied within the past 5 years. This report will need to indicate that the home is blocked and tied with “No Violations or Violations Corrected”. There is a charge for this report. TDHCA may be contacted at:



Texas Department of Housing & Community Affairs
Manufactured Housing Division
PO Box 12489
Austin, TX 78711-2489
Telephone: 1-800-500-7074

If there is no approval report on file with the TDHCA or if the report is over 5 years old, contact an installer who is licensed with the TDHCA to make an inspection and provide an approval report. A copy of the completed Form T report or the TWIA [Manufactured Housing Inspection Approval Form \(TWIA-MH96\)](#) may be used.

A new tie down approval report is required for new business applications.

Rates

See the “Manufactured Homes Rate Tables” section in the TWIA Rating Rules manual for applicable rates.

Deductibles

For property located Inland of the Intracoastal Waterway	-1% with a \$ 250.00 minimum
For property located Seaward of the Intracoastal Waterway	-2% with a \$ 250.00 minimum

Building Certifications

If there is a site built living area addition attached to a Manufactured Home it will rate as part of the mobile and a building certificate will be required. Refer to [Building Certification](#) for complete information.

Homes Manufactured September 1, 1997 and After

Homes manufactured September 1, 1997 and after must be designated as Zone II homes, in order to be placed in the tier one counties. For additional information concerning this requirement contact the manufacturer or the TDHCA.