



MEMORANDUM

DATE: April 28, 2021

TO: Property & Casualty Filings Intake, Texas Department of Insurance

FROM: Cindy Watkins, Manager, Legal & Compliance

RE: New TWIA “Endorsement No. (TWIA) 810 – Specified Building or Structure Exclusion Endorsement”

In accordance with Title 28 Texas Administrative Code 5.4911, Texas Windstorm Insurance Association (“TWIA”) is submitting the new “Endorsement No. (TWIA) 810 – Specified Building or Structure Exclusion Endorsement” for Commissioner approval. TWIA has created this endorsement, for use with the TWIA Dwelling Policy, in an effort to increase the visibility of items that are excluded from a particular policy.

Under TWIA’s current business processes, if TWIA determines it is necessary to exclude an item from a policy, the policyholder is notified, and an amended Declarations page is generated that lists the item that is being excluded. This allows the policyholder to continue to receive coverage through TWIA while excluding any items with insurability issues that do not comply with TWIA’s underwriting guidelines and requirements.

TWIA is proposing this new, separate endorsement, which leverages the same template and process as Texas FAIR Plan Association (TFPA), to increase visibility of this excluded item. The information would be conveyed in the following ways:

- a) the policyholder is notified of underwriting concerns/issues by letter
- b) a new Declarations page would show this new endorsement attached to the policy
- c) a coverage change notice would indicate what was changed
- d) the endorsement itself would contain the description of what is being excluded

TWIA believes this new endorsement will reduce the chance of confusion or surprises for policyholders, agents, and claims staff.

Please note, similar to the process for TFPA, if a copy of the endorsement signed by the policyholder is not returned, a Notice of Cancellation will be issued and the policy will be cancelled. Please also note, the exclusion of an item can be rescinded if the insurability issues related to the item are brought into compliance with TWIA’s insurability requirements.



Attached please find a clean copy of the newly created endorsement.