



James C. Murphy, FCAS, MAAA
Vice President - Actuary

September 30, 2013

Marilyn Hamilton
Property & Casualty Associate Commissioner
Texas Department of Insurance
P.O. Box 149104 M/C 104-PC
Austin, TX 78701

RE: Texas Windstorm Insurance Association Adjustments to Maximum Liability Limits

Dear Marilyn:

Section 2210.502(a) of the Texas Insurance Code states that, not later than September 30 of each year, the Texas Windstorm Insurance Association shall propose to the Commissioner inflation adjustments to its maximum liability limits at a rate that reflects any change in the BOECKH index.

On August 13, 2013, the Board of Directors of the Association approved the following adjustments:

	<u>Current</u> <u>2013</u>	<u>Proposed</u> <u>2014</u>
Dwellings and individually owned townhouses	\$1,773,000	\$1,816,000
Contents of an apartment, condominium, or townhouse	\$374,000	\$383,000
Commercial structures and associated contents	\$4,424,000	\$4,514,000

The limit of liability for governmental buildings and corporeal movable property shall be indexed and adjusted as provided for commercial structures and associated contents, per Texas Insurance Code Section 2210.502(d).

Supporting documents are attached.

We look forward to the Commissioner's approval of the proposed limits. If you or your staff have any questions or comments, please contact John Polak or me.

Respectfully,

A handwritten signature in black ink, appearing to be 'JCM', written over a white background.

James C. Murphy

Encl. (2)

Texas Windstorm Insurance Association
Proposed Limits of Liability
To Be Effective January 1, 2014
Impact on Exposures In-Force as of 6/30/13



Statutory Limits of Liability

	Current	Proposed	Increase
Dwelling	1,773,000	1,816,000	43,000
Contents	374,000	383,000	9,000
Non-Dwelling	4,424,000	4,514,000	90,000

	Risks at Statutory Limits	<u>Exposure</u> Current	Proposed	Increase
Dwelling	96	170,208,000	174,336,000	4,128,000
Contents	30	11,220,000	11,490,000	270,000
Non-Dwelling	156	690,144,000	704,184,000	14,040,000
Total	282	871,572,000	890,010,000	18,438,000
Total TWIA Exposure				72,761,259,474
% Increase in TWIA Exposure				0.03%