



Xiuyu Li, ACAS, MAAA
Actuary

August 15, 2017

Marianne Baker
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 Marianne:

Section 2210.502(a) of the Texas Insurance Code states that 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 1, 2017, the Board of Directors of the Association approved the filing of increased limits as indicated by changes in the BOECKH index. These indicated limits are as follows:

	<u>Current</u> 2017	<u>Proposed</u> 2018
Dwellings and individually owned townhouses	\$1,773,000	\$1,789,000
Contents of an apartment, condominium, or townhouse	\$374,000	\$380,000
Commercial structures and associated contents	\$4,424,000	\$4,474,000

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 read 'Xiuyu Li', is written over a light blue horizontal line.

Xiuyu Li

Encl. (2)

Texas Windstorm Insurance Association

5700 South MoPac Expressway, Building A, Austin, Texas 78749 • P.O. Box 99090, Austin, Texas 78709-9090
512-899-4900 / Fax 512-899-4950

Texas Windstorm Insurance Association
Proposed Limits of Liability
To Be Effective January 1, 2018
Impact on Exposures In-Force as of 6/30/17



Statutory Limits of Liability

	Current	Proposed	Increase
Dwelling	1,773,000	1,789,000	16,000
Contents	374,000	380,000	6,000
Non-Dwelling	4,424,000	4,474,000	50,000

	Risks at Statutory Limits	<u>Exposure</u> Current	Proposed	Increase
Dwelling	105	186,165,000	187,845,000	1,680,000
Contents	46	17,204,000	17,480,000	276,000
Non-Dwelling	135	597,240,000	603,990,000	6,750,000
Total	286	800,609,000	809,315,000	8,706,000
Total TWIA Exposure				67,489,224,669
% Increase in TWIA Exposure				0.01%