

## SUMMARY OF POLICY CHANGES

Your Texas Windstorm Insurance Association (TWIA) Policy is being revised to reflect recent changes in the law. This document is for informational purposes only and provides a summary of the significant revisions that will be found in **policies issued on or after November 27, 2011**. This is not a part of your current policy. To understand your rights and duties under the new policy, please refer to and read the actual language in your future policy.

**Minimum Retained Premium.** If you cancel your policy within the first 90 days, we will retain \$100 of premium or the value of **90 days of premium**, whichever is greater.

**Claims handling.** Below is a summary of the significant revisions found in your policy.

- **Claims filing deadline.** You are required to file a claim with us no later than **one year** after the date that your property is damaged. If you show good cause, the commissioner of insurance may extend this deadline up to 180 days.
- **Additional information related to your claim.** Within **30 days** of the date you file your claim, we may request any information necessary to determine whether to accept or reject your claim.
- **Timeframe for us to accept or deny your claim.** We must provide you a written notice of the amount we will pay, if any, and notice that we have accepted or denied your claim in full or in part within **60 days** of receiving your claim or within 60 days of our receipt of the information we requested within the 30-day period above whichever is later. If we accept all or part of your claim, we must tell you how much we will pay for your loss at that time.
- **Access to information.** If we deny a portion of your claim, we must give you a detailed summary of how we determined not to accept coverage. If we accept your claim, you may request a detailed summary of how we determined the amount we will pay.
- **Claims payment deadline.** We must pay your claim within **10 days** of the date we notify you that we accept all or part of your claim. If payment depends upon your performance of specific actions, we have 10 days from the day you complete those actions to pay the claim.
- **Loss settlement.** We may use guidelines published by the commissioner of insurance to determine the extent that your loss is caused by covered wind damage or excluded flood damage (including waves or tidal surge).

**Limited Judicial Remedies.** The law limits a judge's ability to review our claims decisions. These limitations are described in detail under **Condition 10** of your policy.

**Disputes Concerning the Amount of Loss.** All disputes concerning the amount we will pay on a covered loss must be resolved through appraisal. **Condition 11** of your policy provides complete details of your rights and duties when disputing our determination of the amount we will pay for an accepted claim.



- **Appraisal is your exclusive remedy.** You are prohibited from suing us over the amount of loss if we have accepted coverage for any part of your claim.
- **Appraisal is binding.** The appraisal decision is binding and cannot be reviewed or appealed, **except** for specific reasons outlined under **Condition 11.g** of your policy.
- **Time limit to demand appraisal.** You have **60 days** after the date you receive written notice that we accepted all or part of your claim to demand appraisal. We can grant a 30-day extension for good cause if you request the extension in writing no later than 75 days after you receive the notice from us. If you do not demand appraisal within the 60 days, or within 30 days after we grant an extension, you **waive your right** to demand appraisal.

**Disputes Concerning Denied Coverage.** Prior to filing suit, we may require that a dispute over our denial of coverage for your claim in full or in part be handled by alternative dispute resolution (ADR). **Condition 12** of your policy provides complete details of your rights and duties when disputing a denial of coverage.

- **Notice of intent to file suit against us.** Prior to filing a suit concerning your denied claim in full or in part, you must notify us of your intent to file suit.
- **Time limit to file suit.** You must notify us of your intent to file suit within **two years** of the date you receive our written notice that we denied your claim in full or in part. If you do not provide timely notice of your intent to file suit, you **waive your right** to contest our denial and you are **barred** from suing us concerning that particular denial.
- **Timeframe for ADR.** We must request that a dispute be handled through ADR within **60 days** of the date you provide us notice of intent to file suit. ADR must be completed within 60 days of our request, unless the period is extended by either your and our mutual consent or by rule adopted by the commissioner of insurance. If we do not request ADR within 60 days of receipt of your notice of intent, you can proceed with your suit. If we waive the ADR requirement in writing, you can proceed with your suit.
- **If we request ADR, you can still file suit against us.** If we request ADR, you may file suit against us if the ADR was not completed within 60 days of our request, the ADR was not completed within an authorized extension of the 60-day period, or you are not satisfied after the completion of the ADR.
- **Limitations on recovery.** You may only bring a suit against us over our denial of your claim to determine if our denial was proper and to determine the amount you are entitled to recover. You may only recover the amount payable under the terms of the policy, consequential damages under common law, prejudgment interest, court costs, and reasonable and necessary attorney's fees.
- **Double damages may be awarded.** You may recover damages in an amount not to exceed two times the damages if you show by clear and convincing evidence that you were harmed because we mishandled your claim by intentionally committing certain acts. These acts are described in detail under **Condition 12.e.(8)(iii)** of your policy.