



## MEMORANDUM

DATE: November 18, 2009

TO: All Agents

FROM: Randy Wipf  
Vice President, Underwriting/Agent Services

**RE: WPI-8 Waiver Certificate of Compliance Approval Program and  
Certificate of Compliance Transition Program Rules for Certain Dwelling Policies  
(Replaces previous bulletin on this topic)**

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The Texas Department of Insurance adopted rules relating to WPI-8 Waivers. The new rules create **TWO PROGRAMS** as follows:

- The first program is a certificate of compliance approval program that applies to certain residential structures insured by TWIA as of September 1, 2009.
- The second program is a certificate of compliance transition program that applies to new applicants who apply for coverage on certain residential structures on or after September 1, 2009. Please review the TWIA agent bulletin dated August 4, 2009 advising that the WPI-8 waiver surcharge is both non-commissionable and non-refundable (Agent bulletins are on-line at [www.twia.org](http://www.twia.org) under the "Agent Bulletins link).

Policyholders who have a structure currently insured under the WPI-8 waiver certificate of compliance approval program and have a lapse in coverage of **less than 30 days**, continue to be eligible for coverage on that structure under the program if the policyholder also meets all of TWIA's Underwriting eligibility requirements as noted below:

1. Comply with the mandatory building code requirements to secure a WPI-8 on all alterations, additions, repairs, or new construction on or after June 19, 2009.
2. Meet the declination requirements (see Agent Bulletin on this subject dated September 10, 2009)
3. Meet the flood insurance requirements (see Agent Bulletin on this subject dated September 10, 2009)
4. Satisfy all other Association Underwriting requirements, including maintenance of the structure in an insurable condition

Should coverage lapse for **30 days or more**, the structure will no longer be eligible for coverage under the certificate of compliance approval program. In this case the structure must be inspected and a certificate of compliance (WPI-8) must be provided for the structure under the applicable building codes in order to obtain coverage from TWIA.

### Texas Windstorm Insurance Association

For new applicants seeking TWIA dwelling coverage under the WPI-8 waiver certificate of compliance transition program, eligibility is as follows beginning September 1, 2009:

1. Within the twelve month period prior to the date of application for Association coverage, the structure has been insured on an annual basis under a property policy that included windstorm and hail coverage, and the insurer that underwrote the policy on the structure,
  - a. discontinues providing windstorm and hail insurance under the policy; or
  - b. the insurer that underwrote the policy on the structure discontinues providing residential property insurance in the portion of the catastrophe area where the structure is located.
2. The applicant complies with the mandatory building code requirements to secure a WPI-8 on all alterations, additions, repairs, or new construction on or after June 19, 2009.
3. The applicant meets the declination requirements (see Agent Bulletin on this subject dated September 10, 2009).
4. The applicant meets the flood insurance requirements (see Agent Bulletin on this subject dated September 10, 2009).
5. The applicant satisfies all other Association Underwriting requirements, including maintenance of the structure in an insurable condition.

NOTE: The certificate of compliance transition program expires August 31, 2011.

*For a detailed explanation concerning the programs, please read the Commissioner's Order 09-0714. Go to [www.tdi.state.tx.us](http://www.tdi.state.tx.us), then click on NEW – TWIA Emergency Rule. On the next screen to appear, click on the underlined link, 5.4902 – 5.4908 found under the heading “Section Number” to open Commissioner's Order 09-0714. The direct web address is: <http://www.tdi.state.tx.us/rules/2009/documents/09-0714.pdf>.*

**Texas Windstorm Insurance Association**

5700 South MoPac Expressway, Building E, Suite 530, Austin, Texas 78749 • P.O. Box 99090, Austin, Texas 78709-9090  
512-899-4900 / Fax 512-899-4950