



Randy Wipf, CIC
Director - Underwriting/Pricing

MEMORANDUM

DATE: November 26, 2003
TO: ALL AGENTS
RE: 2004 Residential and Commercial rate increases
2004 Maximum limits

Please read and route to interested personnel in your agency!

2004 Residential and Commercial rate increases for new and renewal policies effective 1/1/2004 or after are:

- Commercial, including Farm and Ranch / +10%
- Residential / +9.6%

New rate pages can be copied from the T.W.I.A. web site along with this bulletin by clicking on 'News' on the entry T.W.I.A. Home Page, then opening the Bulletin entitled, "2004 limits and rate changes". A revised Instructions and Guidelines manual is also available by clicking on 'Downloads' on the entry T.W.I.A. Home Page, then opening the bulleted and underlined item entitled, "T.W.I.A. Complete Instructions Manual". Either document can be printed from your computer once opened, by clicking on the printer icon on the tool bar on the top of your screen. If you do not have computer access, you can call your assigned underwriter at T.W.I.A. to request the revised rate pages be sent to you. Lastly, the T.W.I.A. E-Quote system has been updated to reflect the new rates for policies effective January 1, 2004 or later and we encourage you to use this FREE on-line service to derive your quotations.

Important Note: Renewal notices previously sent for renewal dates of January 1 or later using the previous commercial rates are being resent to reflect the new rates effective January 1, 2004. Renewal notices are not binding or guaranteed by T.W.I.A., but meant to be a preliminary indication of forms and rates at the time notice is mailed. Forms and rates are subject to change prior to policy issuance. Renewal coverage will not be bound without a copy of the renewal notice and a check for the full net premium.

2004 Maximum Limits

- Effective 1/1/2004 Texas Windstorm Insurance Association (T.W.I.A.) maximum limits of liability will be as follows:

Coverage	Previous limits	Revised Limits
Dwellings and Individually owned Townhouses and Corporeal Movable Property	\$400,000	\$406,000
Individually owned Corporeal moveable property in Apartments, Condominiums, or Townhouses	\$143,000	\$146,000
Commercial Buildings and Corporeal Moveable Property	\$1,660,000	\$1,681,000
Governmental Buildings and Corporeal Moveable Property	\$2,192,000	\$2,192,000

Texas Windstorm Insurance Association

5700 South MoPac Expressway, Building C, Suite 300, Austin, Texas 78749 • P.O. Box 99090, Austin, Texas 78709-9090
512-899-4900 / Fax 512-899-4950

**COMMERCIAL BUILDING AND BUSINESS PERSONAL PROPERTY
ANNUAL EXTENDED COVERAGE RATES (per \$100)**

TABLE*	COINSURANCE	BUILDING Rate Table A	BUSINESS PERSONAL PROPERTY Rate Table C
	50%	--	--
1	80%	.807	.646
Frame (F)	100%	.799	.638
	50%	--	--
2	80%	.842	.686
Brick (M)	100%	.651	.523
	50%	--	--
3	80%	.686	.548
	100%	.580	.452
	50%	.999	--
(HC)	80%	.618	.492
	100%	.591	.483
	50%	.399	--
4	80%	.251	.197
(WR)	100%	.234	.193
	50%	.497	--
	80%	.305	.245
(SWR)	100%	.295	.240
	50%	--	--
5	80%	.576	.286
Brick **	100%	--	--
	50%	--	--
5A	80%	.693	.349
Frame **	100%	--	--
	50%	--	--
5B	80%	.576	.286
Brick Veneer **	100%	--	--
	50%	--	--
7	80%	1.961	1.559
	100%	1.685	1.346
	50%	--	--
8	80%	2.336	1.873
	100%	1.961	1.568
	50%	--	--
9	80%	2.798	2.240
	100%	2.294	1.838
	50%	--	--
10	80%	3.358	2.687
	100%	2.798	2.240
	50%	--	--
11	80%	4.358	3.496
	100%	3.688	2.949
	50%	--	--
12	80%	6.399	5.111
	100%	5.381	4.304
	50%	--	--
13	80%	8.720	6.977
	100%	7.344	5.877
	50%	--	--
14	80%	17.303	13.845
	100%	14.528	11.620

* REFER TO THE SPECIAL INDEX & GENERAL INDEX OF THE T.W.I.A. MANUAL

** FOR ACV BUILDERS RISK FORM 21 (DWELLINGS) USE THE 80% COINSURANCE RATE

**TOWNHOUSE ASSOCIATION BUILDINGS (3 OR MORE UNITS) AND CONDOMINIUM BUILDINGS
ANNUAL EXTENDED COVERAGE RATES (per \$100)**

TABLE*	COINSURANCE	BUILDING Rate Table B
1 Frame (F)	50%	--
	80%	.481
	100%	.474
2 Brick (M)	50%	--
	80%	.505
	100%	.384
3	50%	--
	80%	.406
	100%	.340
(HC)	50%	.591
	80%	.372
	100%	.354
4 (WR)	50%	.234
	80%	.147
	100%	.143
(SWR)	50%	.295
	80%	.186
	100%	.179

*REFER TO THE SPECIAL INDEX & GENERAL INDEX OF THE T.W.I.A. MANUAL.

**MODIFIED EXTENDED COVERAGE RATES (per \$100)
FOR MISCELLANEOUS FARM PROPERTY AND BARN AND OUTBUILDINGS
TERRITORY 1**

Rates for Miscellaneous Farm Property (Commercial Standard Deductible applies)

<u>Table</u>	<u>Coinsurance</u>	<u>Rate</u>
15	.80	.900
21	.80	1.768
22	.80	2.423
23	.80	3.510
24	.80	6.973

Rates for Barns and Outbuildings (Commercial Standard Deductible applies)

Frame	1.748
Brick Veneer	1.501
Brick	1.254

**MODIFIED EXTENDED COVERAGE RATES (per \$100)
FOR MISCELLANEOUS FARM PROPERTY AND BARN AND OUTBUILDINGS
TERRITORIES 8, 9, AND 10**

Rates for Miscellaneous Farm Property (Commercial Standard Deductible applies)

<u>Table</u>	<u>Coinsurance</u>	<u>Rate</u>
15	.80	.995
21	.80	1.952
22	.80	2.671
23	.80	3.880
24	.80	7.703

Rates for Barns and Outbuildings (Commercial Standard Deductible applies)

Frame	1.930
Brick Veneer	1.658
Brick	1.387

DWELLING BUILDING AND PERSONAL PROPERTY (TERRITORY 1)

MODIFIED EXTENDED COVERAGE PREMIUMS

(Rates for 1% Deductible) (\$100 Minimum)

**DWELLING CHART 1A
80% COINSURANCE REQUIRED**

PERSONAL PROPERTY CHART 1B

AMOUNT OF INSURANCE	FRAME	BV	BRICK	FRAME	BV	BRICK
1,000	8	6	5	2	2	2
1,500	10	8	7	4	4	3
2,000	14	12	10	4	4	3
2,500	16	12	10	6	4	3
3,000	18	14	12	6	6	5
3,500	20	16	14	6	6	5
4,000	20	16	14	8	6	5
5,000	24	21	17	8	6	5
6,000	26	23	19	8	8	7
7,000	28	25	21	10	8	7
7,500	30	25	21	10	8	7
8,000	32	27	22	12	10	8
9,000	36	31	26	12	10	8
10,000	40	35	29	14	12	10
11,000	44	37	31	16	12	10
12,000	48	41	34	16	14	12
13,000	52	43	36	19	16	13
14,000	56	47	39	21	16	13
15,000	60	52	43	21	18	15
16,000	64	54	45	23	18	15
17,000	68	58	48	25	20	17
18,000	72	62	51	25	22	18
19,000	76	64	53	27	22	18
20,000	80	68	56	29	24	20
21,000	84	72	60	29	24	20
22,000	88	74	62	31	26	22
23,000	92	78	65	33	28	23
24,000	96	82	68	35	28	23
25,000	100	85	70	35	30	25
26,000	104	89	74	37	30	25
27,000	108	93	77	39	32	27
28,000	112	95	79	39	34	28
29,000	116	99	82	41	34	28
30,000	121	103	86	43	36	30
35,000	141	120	99	49	42	35
40,000	161	136	113	58	48	40
45,000	181	153	127	64	54	45
50,000	201	171	142	72	59	50
55,000	219	188	156	78	63	54
60,000	239	204	169	84	69	59
65,000	259	221	183	93	75	64
70,000	279	239	199	99	81	69
75,000	299	256	212	107	87	74
80,000	319	272	226	113	93	79
85,000	339	289	240	121	99	84
90,000	360	307	255	128	105	89
95,000	380	324	269	136	111	94
100,000	400	340	282	142	117	99
EACH ADD'L						
\$1,000	4.00	3.40	2.82	1.42	1.17	.99

**** TO OBTAIN PREMIUMS OTHER THAN 1% DEDUCTIBLE, REFER TO DEDUCTIBLE ADJUSTMENT PERCENTAGE SCHEDULE**

DWELLING BUILDING AND PERSONAL PROPERTY (TERRITORIES 8, 9 & 10)
MODIFIED EXTENDED COVERAGE PREMIUMS
(Rates for 1% Deductible) (\$100 Minimum)

DWELLING CHART 1A
80% COINSURANCE REQUIRED

PERSONAL PROPERTY CHART 1B

AMOUNT OF INSURANCE	FRAME	BV	BRICK	FRAME	BV	BRICK
1,000	13	10	8	3	3	3
1,500	16	13	11	6	6	5
2,000	22	20	16	6	6	5
2,500	25	20	16	10	6	5
3,000	28	23	19	10	10	8
3,500	32	26	22	10	10	8
4,000	32	26	22	13	10	8
5,000	38	33	27	13	10	8
6,000	41	36	30	13	13	11
7,000	44	40	33	16	13	11
7,500	47	40	33	16	13	11
8,000	51	43	36	19	16	13
9,000	57	49	41	19	16	13
10,000	63	56	46	23	19	16
11,000	69	59	49	26	19	16
12,000	76	66	55	26	23	19
13,000	82	69	57	29	26	21
14,000	88	76	63	32	26	21
15,000	95	82	68	32	29	24
16,000	101	86	71	36	29	24
17,000	107	92	77	39	32	27
18,000	114	99	82	39	36	29
19,000	120	102	85	42	36	29
20,000	126	109	90	45	39	32
21,000	133	115	96	45	39	32
22,000	139	119	98	48	42	35
23,000	145	125	104	52	45	37
24,000	152	132	109	55	45	37
25,000	158	135	112	55	49	40
26,000	164	142	118	58	49	40
27,000	170	148	123	61	52	43
28,000	177	152	126	61	55	45
29,000	183	158	131	65	55	45
30,000	189	165	137	68	58	48
35,000	221	191	159	78	68	56
40,000	253	217	181	91	78	64
45,000	284	244	202	100	88	72
50,000	316	273	227	113	97	80
55,000	344	300	249	123	104	85
60,000	376	326	271	133	114	93
65,000	407	352	293	145	123	101
70,000	439	382	317	155	133	109
75,000	470	408	339	168	143	117
80,000	502	435	361	178	153	125
85,000	533	461	383	191	162	134
90,000	565	491	408	200	172	142
95,000	597	517	429	213	182	150
100,000	628	544	451	223	192	158
EACH ADD'L						
\$1,000	6.28	5.44	4.51	2.23	1.92	1.58

** TO OBTAIN PREMIUMS OTHER THAN 1% DEDUCTIBLE, REFER TO DEDUCTIBLE ADJUSTMENT PERCENTAGE SCHEDULE

**FARM & RANCH DWELLING BUILDING AND PERSONAL PROPERTY (TERRITORY 1)
 MODIFIED EXTENDED COVERAGE PREMIUMS
 (Rates for 1% Deductible) (\$100 Minimum)**

AMOUNT OF INSURANCE	DWELLING CHART 1A 80% COINSURANCE REQUIRED			PERSONAL PROPERTY CHART 1B		
	FRAME	BV	BRICK	FRAME	BV	BRICK
1,000	14	15	12	14	15	12
1,500	18	15	12	14	15	12
2,000	21	18	15	14	15	12
2,500	25	22	18	14	15	12
3,000	29	26	21	14	15	12
3,500	32	26	21	14	15	12
4,000	36	29	24	14	15	12
5,000	39	33	28	14	15	12
6,000	43	37	31	14	15	12
7,000	46	40	34	18	15	12
7,500	50	44	37	18	15	12
8,000	54	44	37	18	15	12
9,000	61	51	43	21	19	16
10,000	68	59	49	25	19	16
11,000	71	62	52	25	22	19
12,000	79	70	58	29	22	19
13,000	86	73	61	29	26	22
14,000	93	81	67	32	30	25
15,000	100	84	70	36	30	25
16,000	107	92	77	36	34	28
17,000	114	95	80	39	34	28
18,000	118	103	86	43	37	31
19,000	125	106	89	43	37	31
20,000	132	114	95	46	41	34
21,000	139	121	101	50	41	34
22,000	146	125	104	50	45	37
23,000	154	132	110	54	45	37
24,000	161	136	113	57	48	40
25,000	168	143	119	57	52	44
26,000	171	147	122	61	52	44
27,000	178	154	129	64	56	47
28,000	186	158	132	64	56	47
29,000	193	165	138	68	60	50
30,000	200	172	144	71	60	50
35,000	232	198	165	82	71	59
40,000	264	227	190	93	82	68
45,000	300	256	214	104	89	75
50,000	332	286	239	118	101	84
55,000	364	311	260	129	112	93
60,000	400	341	285	139	119	99
65,000	432	370	309	150	130	109
70,000	464	399	334	164	142	118
75,000	500	425	355	175	153	127
80,000	532	454	380	186	160	134
85,000	564	484	404	196	172	143
90,000	596	513	429	211	183	152
95,000	632	539	450	221	190	159
100,000	664	568	475	232	201	168
Each Add'l 1,000	6.64	5.68	4.75	2.32	2.01	1.68

**** TO OBTAIN PREMIUMS OTHER THAN 1% DEDUCTIBLE, REFER TO DEDUCTIBLE ADJUSTMENT PERCENTAGE SCHEDULE**

FARM & RANCH DWELLING BUILDING AND PERSONAL PROPERTY (TERRITORIES 8, 9, AND 10)
MODIFIED EXTENDED COVERAGE PREMIUMS
(Rates for 1% Deductible) (\$100 Minimum)

AMOUNT OF INSURANCE	DWELLING CHART 1A 80% COINSURANCE REQUIRED			PERSONAL PROPERTY CHART 1B		
	FRAME	BV	BRICK	FRAME	BV	BRICK
1000	16	16	14	16	16	14
1500	20	16	14	16	16	14
2000	24	20	17	16	16	14
2500	28	24	20	16	16	14
3000	32	28	24	16	16	14
3500	35	28	24	16	16	14
4000	39	32	27	16	16	14
5000	43	36	30	16	16	14
6000	47	40	34	16	16	14
7000	51	45	37	20	16	14
7500	55	49	41	20	16	14
8000	59	49	41	20	16	14
9000	67	57	47	24	21	17
10000	75	65	54	28	21	17
11000	79	69	58	28	25	21
12000	87	77	64	32	25	21
13000	95	81	68	32	29	24
14000	102	89	74	36	33	27
15000	110	93	78	39	33	27
16000	118	101	85	39	37	31
17000	126	105	88	43	37	31
18000	130	113	95	47	41	34
19000	138	117	98	47	41	34
20000	146	125	105	51	45	38
21000	154	134	112	55	45	38
22000	162	138	115	55	49	41
23000	169	146	122	59	49	41
24000	177	150	125	63	54	45
25000	185	158	132	63	58	48
26000	189	162	135	67	58	48
27000	197	170	142	71	62	52
28000	205	174	146	71	62	52
29000	213	182	152	75	66	55
30000	221	190	159	79	66	55
35000	256	219	183	91	78	65
40000	292	251	210	103	91	76
45000	331	283	237	114	99	82
50000	367	316	264	130	111	93
55000	402	344	288	142	124	103
60000	441	376	315	154	132	110
65000	477	409	342	166	144	120
70000	512	441	369	181	157	131
75000	552	470	393	193	169	141
80000	587	502	420	205	177	148
85000	623	534	447	217	190	158
90000	658	567	474	233	202	168
95000	698	595	497	245	210	175
100000	733	627	525	256	222	186
Each Add'l 1,000	7.33	6.27	5.25	2.56	2.22	1.86

**** TO OBTAIN PREMIUMS OTHER THAN 1% DEDUCTIBLE, REFER TO DEDUCTIBLE ADJUSTMENT PERCENTAGE SCHEDULE**