

Texas Windstorm Insurance Association

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Randy Wipf, CIC
Underwriting Manager

MEMORANDUM

DATE: January 9, 2001

TO: All Agents

RE: Misc. Topics

This memo reviews the following:

- ◆ **T.W.I.A.'s mailing address changed February 16, 2000. Some agents are still using the old address. Please note the correct address.**
- ◆ **Cancellations and use of the lost policy voucher.**
- ◆ **Binding procedures. T.W.I.A. will adhere to the Plan of Operation.**

Details about each of the topics are as follows:

Mailing Address

Almost one year ago, T.W.I.A. moved to a new location and changed its mail address. Please note that the post office will no longer forward mail that is sent to T.W.I.A.'s old address beginning in February. The new P.O. Box is:

**P.O. Box 99090
Austin, Texas 78709-9090**

Cancellations

Many agents have pointed out that it has become increasingly difficult to get mortgagees' signatures on lost policy vouchers. Consequently, the Association will no longer require a mortgagee to sign-off on a lost policy voucher. Please disregard the mortgagee signature line when sending in Form No. TWIA-113 - Lost Policy Voucher (copy enclosed). This change should speed up the return of money to the agents and insureds.

Where coverage is not re-written (i.e. self insured), re-written with a company other than T.W.I.A., or re-written with T.W.I.A., the new procedure for cancellation is as follows:

- The Association will require that the agent/insured return the original policy or a signed lost policy release and
- T.W.I.A. will give the mortgage company required notice that we are canceling the policy.

NOTE: Backdating of cancellations is not permitted except where evidence is provided that equivalent coverage was in force or that the property is sold with no insurable interest remaining with the insured.

Binding Procedures:

Over the last several years T.W.I.A. has allowed renewal notices which were returned within five days of the expiration date to be renewed as of the expiration date even though late. A review of the Plan of Operation has prompted adherence to its written intention. Specifically, T.W.I.A. will no longer issue renewals on the expiration date if the request is received after expiration (see underlined text below). T.W.I.A. will adhere to the Plan's binding procedures as follows in subsection *(d)(2)(E) receipt of application (ii)*, the Plan of Operation :

- (ii) New or increased coverage will be effective on the date received by the association or effective on the date the application is mailed if sent by registered or certified mail, or by United States Postal Service Express Mail, or if sent by regular mail that is hand canceled by the United States Postal Service, or if sent by such other similar mailing procedure as approved by the board of directors, prior to the time specified in this clause as an exception, unless the application for new or increased coverage stipulates a later date. Renewal policies will be effective to provide continuous coverage if the request for a renewal is received on or before the expiration of the existing policy.

Exception: No new or increased coverage shall be accepted when a windstorm designated as a hurricane by the United States Weather Bureau is in the Gulf of Mexico or within the boundaries of 80 degrees west longitude and 20 degrees north latitude. This exception does not apply to any renewal policy affording windstorm coverage if the expiring policy was written by the Texas Windstorm Insurance Association and if the application for renewal was received by the Texas Windstorm Insurance Association on or before the expiration of the existing Texas Windstorm Insurance Association policy or if mailed by registered or certified mail or United States Postal Service Express Mail or by regular mail that is hand-canceled by the United States Postal Service, or if sent by such other similar mailing procedure as approved by the board of directors, prior to the expiration of the existing Texas Windstorm Insurance Association policy.