

Texas Windstorm Insurance Association

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Randy Wipf, CIC
Underwriting Manager

MEMORANDUM

DATE: June 18, 2001

TO: All Agents

RE: Endorsements / Additional Premiums (A.P.'s)

Effective immediately, T.W.I.A. will allow agents to submit endorsement requests without requiring that payment accompany the requests. T.W.I.A. will determine the correct additional premium and bill the agents for endorsements. This change is in response to agents' concerns that it's difficult to figure additional premiums (A.P.'s) and the fact that a majority of the time an incorrect payment amount is forwarded.

We will also continue to accept payments with endorsement requests. Payments that accompany endorsement requests should continue to be for the net amount (premium minus commission). Please remember that when payment is sent with an invoice, agents must return a copy of the bill with payment to T.W.I.A. so that there is no question as to what the money applies to.

Note: T.W.I.A. will continue to require that separate checks be attached to all new business applications and renewal notices. New business applications and renewal notices are not eligible for the billing procedure described in paragraph one.

With this change, T.W.I.A. will also require that all invoices be paid within 45 days of the coverage effective date or billing date, whichever is later. Failure to send timely payment will result in a Notice of Cancellation (N.O.C.) on the subject policy. If payment is not forthcoming within the 45-day timeframe and the policy has been cancelled, a new application becomes necessary to regain coverage.