



March 01, 2012

**Attention: Mortgage Companies**

RE: Texas Windstorm Insurance Association Policy Premium

To whom it may concern:

On January 1, 2012 the Texas Windstorm Insurance Association (TWIA) implemented a new Billing and Commission System. As a result of this new system, TWIA is requiring agents to submit the gross premium with applications for coverage through TWIA.

This letter is intended to provide mortgage companies with guidance relating to premium payment for policies written through the Texas Windstorm Insurance Association (TWIA). This guidance is also intended to assist agents and mortgagees with ensuring that TWIA policyholder policies are timely secured and/or renewed.

Chapter 2210 of the Texas Insurance Code and the Plan of Operation, Section 5.4001 of the Texas Administrative Code governs the writing of wind and hail insurance policies through the Texas Windstorm Insurance Association (TWIA). The plan of operation specifies that all applications for coverage through TWIA must be submitted by a properly licensed agent and must be accompanied by payment of the full amount of the premium.

The TWIA is not a direct bill insurance association and payment of the full amount of the premium must be accompanied by an application in order for TWIA to issue a policy. Therefore, TWIA strongly suggests that mortgage companies provide agents with the payment for the TWIA policy as soon as possible to allow the agent sufficient time to provide TWIA with the application and payment. **We recommend that the mortgage company make the check payable to TWIA and forward it to the agent for attachment to the TWIA application.** This will allow the agent to receive your check, attach the application and then remit both items to TWIA.

NOTE: If TWIA receives the check directly from the mortgage company unaccompanied by the application, then it will be returned and a policy will not be issued.

If you have any questions, please contact the TWIA Accounting Department at: 800-788-8247, then follow the prompts of the automated attendant.