

Policyholder Name
Mailing Address 1
Mailing Address 2

Notice of Offer of Assumption and Novation

Dear Policyholder,

Company Name is participating in the Texas Windstorm Insurance Association's depopulation program, a program enacted by the Texas Legislature to encourage insurers other than TWIA to write windstorm coverage along the Texas coast. We have reviewed TWIA's policy database and identified your policy as one eligible for placement with our company. We are interested in assuming your TWIA windstorm and hail policy and have notified your insurance agent of our offer. Under this program, we are required to do the following:

1. Continue to offer you rates comparable to TWIA for three renewal periods after your TWIA policy expires. The premium is considered "generally comparable" if it does not exceed 115% of the TWIA premium for the same coverage.
2. Continue to offer you coverage comparable to TWIA for three renewal periods after your TWIA policy expires. [Include an explanation of any material differences in coverage here, if any].
3. Allow you to keep your current insurance agent.

Beginning August 1, Company Name will directly issue your renewal policy when your TWIA policy expires. If your TWIA policy expires June 1 through July 31, TWIA will renew your policy for one additional year, but it will be considered assumed by Company Name. This means that Company Name will be legally responsible for any losses to your property beginning June 1, and claims should be filed with Company Name. Any subsequent renewals will be issued by Company Name.

To Transfer my Policy to Company Name

If you want Company Name to be your new windstorm insurance carrier you do not need to take any action. Your policy will automatically transfer to Company Name, effective June 1, 20__.

To Keep my Policy with TWIA

If you don't want your coverage transferred to Company Name, then you must detach the form on page 2 of the letter you received from TWIA, sign and return to TWIA no

later than May 31, 20__ to opt out of the proposed policy change. If you opt out, your windstorm coverage will continue to be provided by TWIA.

Please contact [COMPANY TOLLFREE NUMBER] with any questions.

Sincerely,

[COMPANY NAME]

Copy: Agency Name