



**TEXAS WINDSTORM
INSURANCE ASSOCIATION**



**Voluntary Market
Depopulation Program
Participation Agreement**



Voluntary Market Depopulation Program

Participation Agreement

_____ is an insurance company engaged in the business of property and casualty insurance in Texas (hereinafter Participating Company) with offices located at _____, and

Participating Company has notified the Texas Windstorm Insurance Association (hereinafter TWIA) of its intent to participate in the Voluntary Market Depopulation Program.

RECITALS:

1. Insurance Code Chapter 2210, Subchapter O, authorizes the creation of a depopulation program consisting of voluntary market and assumption reinsurance components.
2. Section 2210.701, Texas Insurance Code, requires TWIA to administer, subject to commissioner approval, a depopulation program that encourages the transfer of TWIA policies to insurers through the voluntary market or assumption reinsurance.
3. The Texas Department of Insurance (hereinafter TDI) has adopted rules (28 TAC §§5.4301 – 5.4309) to implement Insurance Code Chapter 2210, Subchapter O. The Insurance Code provisions and Department rules establish requirements for insurers participating in the depopulation program.

AGREEMENTS:

Whereas Participating Company has notified TWIA of its intent to participate in the Voluntary Market Depopulation Program, as a condition to participating in the Voluntary Market Depopulation Program, Participating Company:

1. Agrees to provide to TWIA the State Tracking Numbers of the approved insurance forms and filed rates that Participating Company will use in connection with the depopulation program.



2. Agrees to provide to TWIA a list containing the policy number for each policyholder identified to receive an offer.
3. Agrees to solicit offers under this program through the existing agent of record under the prevailing terms, conditions, and commissions of the agent at that time, either through appointment of the agent of record or through the use of a limited servicing agreement or other similar agreement between Participating Company and the agent of record.
4. Agrees not to contact the agent of record regarding any offers until TWIA has advised the Participating Company that: (i) TDI does not object to the notices Participating Company will use for the Voluntary Market Depopulation Program; and (ii) TWIA has demonstrated to TDI that the proposed offers, if accepted, will not impair TWIA's public security obligations.
5. Agrees that offers shall not be extended after the expiration of the respective policies identified in section 2 of this section, provided that Participating Company may make an offer on a policy that expires within 60 days of Participating Company's implementation of the voluntary market depopulation program before the next expiration of the policy, with the required notification to the agent of record.
6. Agrees to provide notice to agents representing policies identified by Participating Company to receive an offer, such notice to clearly identify that the offer is being made under the Voluntary Market Depopulation Program, specify the timing of the offer, and describe the terms of the offer to distinguish it from offers made under the Assumption Reinsurance Depopulation Program. Participating Company will provide said notice to TWIA for approval and for inclusion in TWIA's submission of Participating Company's Voluntary Market program offering to TDI for TDI approval.
7. Agrees to provide notice to agents representing policies identified by Participating Company to receive an offer, such notice to include the commission that will be paid to the agent; instructions on how the agent can obtain an appointment or limited service agreement with Participating Company; an affirmative statement that the policy will be offered under the agent's prevailing terms, conditions, and commissions; and Participating Company's contact information.
8. Agrees to notify the agent of record of any offers of coverage no less than 60 days prior to the expiration of the respective current policy, subject to subsection 5.



9. Agrees to make all applicable policy forms and rates available for inspection to the agent of record prior to or at the time an offer of coverage is made.
10. Agrees to provide TWIA no less frequently than monthly a list of the policies on which offers of coverage were accepted.
11. Agrees not to directly contact or solicit any policyholders identified from the Electronic Information Repository without prior authorization from TWIA.
12. Authorizes TWIA to publicly disclose that it has entered into this agreement and has been granted access to the Confidential Information.

I, THE UNDERSIGNED, AM A DULY AUTHORIZED REPRESENTATIVE OF PARTICIPATING COMPANY AND AFFIRM THAT PARTICIPATING COMPANY WILL ABIDE BY THE TERMS OF PARTICIPATION SET FORTH HEREIN.

Signature: _____

Printed Name: _____

Title: _____

Date: _____