

QUARTERLY STATEMENT

OF THE

Texas Windstorm Insurance Association

of Austin

in the state of Texas

TO THE

Insurance Department

OF THE

STATE OF

Texas

FOR THE QUARTER ENDED

March 31, 2023

PROPERTY AND CASUALTY

2023



30040202320100101

QUARTERLY STATEMENT

AS OF MARCH 31, 2023
OF THE CONDITION AND AFFAIRS OF THE

Texas Windstorm Insurance Association

NAIC Group Code 4766, NAIC Company Code 30040, Employer's ID Number 74-6189303, State of Domicile or Port of Entry TX, Country of Domicile USA, Statutory Home Office 4801 Southwest Parkway Building 1, Suite 200, Austin, TX US 78735, Main Administrative Office 4801 Southwest Parkway Building 1, Suite 200, Austin, TX US 78735, Mail Address P.O. Box 99090, Primary Location of Books and Records 4801 Southwest Parkway Building 1, Suite 200, Austin, TX US 78735, Internet Website Address https://www.twia.org/, Statutory Statement Contact Allen David Fulkerson, afulkerson@twia.org

OFFICERS

Chandra Franklin Womack

Table with 2 columns: Name, Title. Rows include David Patrick Durden (General Manager), Georgia Rutherford Neblett (Vice Chairman), Karen Guard (Secretary-Treasurer), Stuart Keith Harbour (Chief Financial Officer).

VICE-PRESIDENTS

Table with 4 columns: Name, Title, Name, Title. Rows include Michael Ledwik # (Acting VP Underwriting), Camron Malik (VP IT), Jessica Crass # (VP Legal & Compliance), David Scott Williams (VP Claims), Juanita Deloris Lester (VP HR and Administration), James Murphy (Chief Actuary and VP Enterprise Analytics).

DIRECTORS OR TRUSTEES

Table with 4 columns: Name, Title, Name, Title. Rows include Karen Guard (Ron Walenta), Georgia Rutherford Neblett (Chandra Franklin Womack), Esther Grossman # (Tony Schrader), Michael Frank Gerik (Tim Garrett).

State of Nevada, County of Clark

The officers of this reporting entity being duly sworn, each depose and say that they are the described officers of said reporting entity, and that on the reporting period stated above, all of the herein described assets were the absolute property of the said reporting entity, free and clear from any liens or claims thereon...

Signature of David Durden

(Signature) David Patrick Durden

(Printed Name)

1.

General Manager

(Title)

Signature of Stuart Keith Harbour

(Signature)

Stuart Keith Harbour

(Printed Name)

2.

Chief Financial Officer

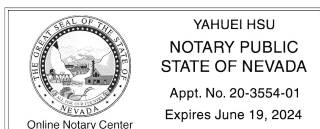
(Title)

May 5, 2023

Subscribed and sworn to before me this 5th day of May, 2023

Signature of Notary Public

- a. Is this an original filing? [X] Yes [] No
b. If no: 1. State the amendment number, 2. Date filed, 3. Number of pages attached



ASSETS

| | Current Statement Date | | | 4 December 31 Prior Year Net Admitted Assets |
|---------------------------------------------------------------------------------------------------------------------------------------------|------------------------|----------------------------|----------------------------------------------|-------------------------------------------------------|
| | 1 Assets | 2 Nonadmitted Assets | 3 Net Admitted Assets (Cols. 1 - 2) | |
| 1. Bonds | | | | |
| 2. Stocks: | | | | |
| 2.1 Preferred stocks | | | | |
| 2.2 Common stocks | | | | |
| 3. Mortgage loans on real estate: | | | | |
| 3.1 First liens | | | | |
| 3.2 Other than first liens | | | | |
| 4. Real estate: | | | | |
| 4.1 Properties occupied by the company (less \$ 0 encumbrances) | | | | |
| 4.2 Properties held for the production of income (less \$ 0 encumbrances) | | | | |
| 4.3 Properties held for sale (less \$ 0 encumbrances) | | | | |
| 5. Cash (\$ 88,195,078), cash equivalents (\$ 345,153,129), and short-term investments (\$ 0) | 433,348,207 | | 433,348,207 | 483,869,657 |
| 6. Contract loans (including \$ 0 premium notes) | | | | |
| 7. Derivatives | | | | |
| 8. Other invested assets | | | | |
| 9. Receivables for securities | | | | |
| 10. Securities lending reinvested collateral assets | | | | |
| 11. Aggregate write-ins for invested assets | | | | |
| 12. Subtotals, cash and invested assets (Lines 1 to 11) | 433,348,207 | | 433,348,207 | 483,869,657 |
| 13. Title plants less \$ 0 charged off (for Title insurers only) | | | | |
| 14. Investment income due and accrued | 1,406,265 | | 1,406,265 | 797,441 |
| 15. Premiums and considerations: | | | | |
| 15.1 Uncollected premiums and agents' balances in the course of collection | 3,428,977 | 399,736 | 3,029,241 | 2,879,907 |
| 15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ 0 earned but unbilled premiums) | 22,345,381 | | 22,345,381 | 22,089,801 |
| 15.3 Accrued retrospective premiums (\$ 0) and contracts subject to redetermination (\$ 0) | | | | |
| 16. Reinsurance: | | | | |
| 16.1 Amounts recoverable from reinsurers | | | | |
| 16.2 Funds held by or deposited with reinsured companies | | | | |
| 16.3 Other amounts receivable under reinsurance contracts | | | | |
| 17. Amounts receivable relating to uninsured plans | | | | |
| 18.1 Current federal and foreign income tax recoverable and interest thereon | | | | |
| 18.2 Net deferred tax asset | | | | |
| 19. Guaranty funds receivable or on deposit | | | | |
| 20. Electronic data processing equipment and software | 12,290,166 | 12,290,166 | | |
| 21. Furniture and equipment, including health care delivery assets (\$ 0) | 2,193,287 | 2,193,287 | | |
| 22. Net adjustment in assets and liabilities due to foreign exchange rates | | | | |
| 23. Receivables from parent, subsidiaries and affiliates | 1,587,656 | | 1,587,656 | 1,215,014 |
| 24. Health care (\$ 0) and other amounts receivable | | | | |
| 25. Aggregate write-ins for other-than-invested assets | 12,839,371 | 12,839,371 | | 387 |
| 26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25) | 489,439,310 | 27,722,560 | 461,716,750 | 510,852,207 |
| 27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts | | | | |
| 28. Total (Lines 26 and 27) | 489,439,310 | 27,722,560 | 461,716,750 | 510,852,207 |

| DETAILS OF WRITE-IN LINES | | | | |
|---------------------------------------------------------------------|------------|------------|--|-----|
| 1101. | | | | |
| 1102. | | | | |
| 1103. | | | | |
| 1198. Summary of remaining write-ins for Line 11 from overflow page | | | | |
| 1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above) | | | | |
| 2501. Prepaid Reinsurance Premium | 5,550,528 | 5,550,528 | | |
| 2502. Prepaid assets | 4,971,382 | 4,971,382 | | |
| 2503. Member Assessment Receivable | 2,199,241 | 2,199,241 | | |
| 2598. Summary of remaining write-ins for Line 25 from overflow page | 118,220 | 118,220 | | 387 |
| 2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above) | 12,839,371 | 12,839,371 | | 387 |

NONE

LIABILITIES, SURPLUS AND OTHER FUNDS

| | 1 | 2 |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------|----------------------------|
| | Current Statement Date | December 31, Prior Year |
| 1. Losses (current accident year \$ 8,546,900) | 33,952,577 | 39,511,834 |
| 2. Reinsurance payable on paid losses and loss adjustment expenses | | |
| 3. Loss adjustment expenses | 14,042,921 | 18,663,506 |
| 4. Commissions payable, contingent commissions and other similar charges | 7,939,050 | 5,678,649 |
| 5. Other expenses (excluding taxes, licenses and fees) | 5,212,771 | 5,890,292 |
| 6. Taxes, licenses and fees (excluding federal and foreign income taxes) | | 3,131,787 |
| 7.1. Current federal and foreign income taxes (including \$ 0 on realized capital gains (losses)) | | |
| 7.2. Net deferred tax liability | | |
| 8. Borrowed money \$ 0 and interest thereon \$ 0 | | |
| 9. Unearned premiums (after deducting unearned premiums for ceded reinsurance of \$ 0 and including warranty reserves of \$ 0 and accrued accident and health experience rating refunds including \$ 0 for medical loss ratio rebate per the Public Health Service Act) | 263,207,813 | 277,334,168 |
| 10. Advance premium | 16,264,383 | 6,731,801 |
| 11. Dividends declared and unpaid: | | |
| 11.1. Stockholders | | |
| 11.2. Policyholders | | |
| 12. Ceded reinsurance premiums payable (net of ceding commissions) | | 33,330,735 |
| 13. Funds held by company under reinsurance treaties | | |
| 14. Amounts withheld or retained by company for account of others | | |
| 15. Remittances and items not allocated | 568,609 | 758,010 |
| 16. Provision for reinsurance (including \$ 0 certified) | | |
| 17. Net adjustments in assets and liabilities due to foreign exchange rates | | |
| 18. Drafts outstanding | | |
| 19. Payable to parent, subsidiaries and affiliates | | |
| 20. Derivatives | | |
| 21. Payable for securities | | |
| 22. Payable for securities lending | | |
| 23. Liability for amounts held under uninsured plans | | |
| 24. Capital notes \$ 0 and interest thereon \$ 0 | | |
| 25. Aggregate write-ins for liabilities | 29,765,062 | 81,178,566 |
| 26. Total liabilities excluding protected cell liabilities (Lines 1 through 25) | 370,953,186 | 472,209,348 |
| 27. Protected cell liabilities | | |
| 28. Total liabilities (Lines 26 and 27) | 370,953,186 | 472,209,348 |
| 29. Aggregate write-ins for special surplus funds | | |
| 30. Common capital stock | | |
| 31. Preferred capital stock | | |
| 32. Aggregate write-ins for other than special surplus funds | | |
| 33. Surplus notes | | |
| 34. Gross paid in and contributed surplus | | |
| 35. Unassigned funds (surplus) | 90,763,564 | 38,642,859 |
| 36. Less treasury stock, at cost: | | |
| 36.1. 0 shares common (value included in Line 30 \$ 0) | | |
| 36.2. 0 shares preferred (value included in Line 31 \$ 0) | | |
| 37. Surplus as regards policyholders (Lines 29 to 35, less 36) | 90,763,564 | 38,642,859 |
| 38. Totals (Page 2, Line 28, Col. 3) | 461,716,750 | 510,852,207 |

| DETAILS OF WRITE-IN LINES | | |
|---------------------------------------------------------------------|-------------|------------|
| 2501. Statutory fund payable | 23,190,000 | 74,961,815 |
| 2502. Pension benefits liability | 2,821,434 | 2,821,434 |
| 2503. Lease incentive obligation | 2,219,149 | 2,272,838 |
| 2598. Summary of remaining write-ins for Line 25 from overflow page | 1,534,479 | 1,122,479 |
| 2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above) | 29,765,062 | 81,178,566 |
| 2901. | | |
| 2902. | | |
| 2903. | | |
| 2998. Summary of remaining write-ins for Line 29 from overflow page | NONE | |
| 2999. Totals (Lines 2901 through 2903 plus 2998) (Line 29 above) | | |
| 3201. | | |
| 3202. | | |
| 3203. | | |
| 3298. Summary of remaining write-ins for Line 32 from overflow page | NONE | |
| 3299. Totals (Lines 3201 through 3203 plus 3298) (Line 32 above) | | |

STATEMENT OF INCOME

| | 1 | 2 | 3 |
|---------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------|-----------------------|---------------------------------|
| | Current Year To Date | Prior Year To Date | Prior Year Ended December 31 |
| UNDERWRITING INCOME | | | |
| 1. Premiums earned: | | | |
| 1.1 Direct (written \$ 116,531,023) | 130,657,378 | 98,426,583 | 443,490,204 |
| 1.2 Assumed (written \$ 0) | | | |
| 1.3 Ceded (written \$ 0) | | | 132,095,174 |
| 1.4 Net (written \$ 116,531,023) | 130,657,378 | 98,426,583 | 311,395,030 |
| DEDUCTIONS: | | | |
| 2. Losses incurred (current accident year \$ 16,532,049): | | | |
| 2.1 Direct | 20,876,177 | 8,914,956 | 28,894,251 |
| 2.2 Assumed | | | |
| 2.3 Ceded | (231) | 1,679 | |
| 2.4 Net | 20,876,408 | 8,913,277 | 28,894,251 |
| 3. Loss adjustment expenses incurred | 676,508 | 8,673,787 | 22,353,663 |
| 4. Other underwriting expenses incurred | 29,604,224 | 23,088,545 | 120,049,584 |
| 5. Aggregate write-ins for underwriting deductions | 23,190,000 | 13,445,742 | 74,961,815 |
| 6. Total underwriting deductions (Lines 2 through 5) | 74,347,140 | 54,121,351 | 246,259,313 |
| 7. Net income of protected cells | | | |
| 8. Net underwriting gain (loss) (Line 1 minus Line 6 + Line 7) | 56,310,238 | 44,305,232 | 65,135,717 |
| INVESTMENT INCOME | | | |
| 9. Net investment income earned | 4,302,371 | (3,631,437) | (3,385,898) |
| 10. Net realized capital gains (losses) less capital gains tax of \$ 0 | | | |
| 11. Net investment gain (loss) (Lines 9 + 10) | 4,302,371 | (3,631,437) | (3,385,898) |
| OTHER INCOME | | | |
| 12. Net gain or (loss) from agents' or premium balances charged off (amount recovered \$ 0 amount charged off \$ 0) | | | |
| 13. Finance and service charges not included in premiums | | | |
| 14. Aggregate write-ins for miscellaneous income | 87,699 | | 35,300 |
| 15. Total other income (Lines 12 through 14) | 87,699 | | 35,300 |
| 16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15) | 60,700,308 | 40,673,795 | 61,785,119 |
| 17. Dividends to policyholders | | | |
| 18. Net income, after dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Line 16 minus Line 17) | 60,700,308 | 40,673,795 | 61,785,119 |
| 19. Federal and foreign income taxes incurred | | | |
| 20. Net income (Line 18 minus Line 19) (to Line 22) | 60,700,308 | 40,673,795 | 61,785,119 |
| CAPITAL AND SURPLUS ACCOUNT | | | |
| 21. Surplus as regards policyholders, December 31 prior year | 38,642,859 | (24,584,392) | (24,584,392) |
| 22. Net income (from Line 20) | 60,700,308 | 40,673,795 | 61,785,119 |
| 23. Net transfers (to) from Protected Cell accounts | | | |
| 24. Change in net unrealized capital gains or (losses) less capital gains tax of \$ 0 | | | |
| 25. Change in net unrealized foreign exchange capital gain (loss) | | | |
| 26. Change in net deferred income tax | | | |
| 27. Change in nonadmitted assets | (8,579,603) | (5,136,892) | (1,632,566) |
| 28. Change in provision for reinsurance | | | |
| 29. Change in surplus notes | | | |
| 30. Surplus (contributed to) withdrawn from protected cells | | | |
| 31. Cumulative effect of changes in accounting principles | | | |
| 32. Capital changes: | | | |
| 32.1 Paid in | | | |
| 32.2 Transferred from surplus (Stock Dividend) | | | |
| 32.3 Transferred to surplus | | | |
| 33. Surplus adjustments: | | | |
| 33.1 Paid in | | | |
| 33.2 Transferred to capital (Stock Dividend) | | | |
| 33.3 Transferred from capital | | | |
| 34. Net remittances from or (to) Home Office | | | |
| 35. Dividends to stockholders | | | |
| 36. Change in treasury stock | | | |
| 37. Aggregate write-ins for gains and losses in surplus | | | 3,074,698 |
| 38. Change in surplus as regards policyholders (Lines 22 through 37) | 52,120,705 | 35,536,903 | 63,227,251 |
| 39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38) | 90,763,564 | 10,952,511 | 38,642,859 |

| DETAILS OF WRITE-IN LINES | | | |
|---------------------------------------------------------------------|------------|------------|------------|
| 0501. Statutory Fund Expense | 23,190,000 | 13,445,742 | 74,961,815 |
| 0502. | | | |
| 0503. | | | |
| 0598. Summary of remaining write-ins for Line 05 from overflow page | | | |
| 0599. Totals (Lines 0501 through 0503 plus 0598) (Line 05 above) | 23,190,000 | 13,445,742 | 74,961,815 |
| 1401. Other Income (loss) | 87,699 | | 35,300 |
| 1402. | | | |
| 1403. | | | |
| 1498. Summary of remaining write-ins for Line 14 from overflow page | | | |
| 1499. Totals (Lines 1401 through 1403 plus 1498) (Line 14 above) | 87,699 | | 35,300 |
| 3701. Pension unassigned funds - unrecognized liability | | | 3,074,698 |
| 3702. | | | |
| 3703. | | | |
| 3798. Summary of remaining write-ins for Line 37 from overflow page | | | |
| 3799. Totals (Lines 3701 through 3703 plus 3798) (Line 37 above) | | | 3,074,698 |

CASH FLOW

| | 1 | 2 | 3 |
|--------------------------------------------------------------------------------------------------------------------|-------------------------|-----------------------|---------------------------------|
| Cash from Operations | Current Year To Date | Prior Year To Date | Prior Year Ended December 31 |
| 1. Premiums collected net of reinsurance | 86,784,088 | 69,935,297 | 366,302,134 |
| 2. Net investment income | 3,693,546 | (3,715,085) | (5,067,315) |
| 3. Miscellaneous income | 87,699 | | 203,348 |
| 4. Total (Lines 1 to 3) | 90,565,333 | 66,220,212 | 361,438,167 |
| 5. Benefit and loss related payments | 26,435,665 | 13,458,537 | 47,047,223 |
| 6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts | | | |
| 7. Commissions, expenses paid and aggregate write-ins for deductions | 111,286,206 | 29,714,549 | 140,781,923 |
| 8. Dividends paid to policyholders | | | |
| 9. Federal and foreign income taxes paid (recovered) net of \$ 0 tax on capital gains (losses) | | | |
| 10. Total (Lines 5 through 9) | 137,721,871 | 43,173,086 | 187,829,146 |
| 11. Net cash from operations (Line 4 minus Line 10) | (47,156,538) | 23,047,126 | 173,609,021 |
| Cash from Investments | | | |
| 12. Proceeds from investments sold, matured or repaid: | | | |
| 12.1 Bonds | | | |
| 12.2 Stocks | | | |
| 12.3 Mortgage loans | | | |
| 12.4 Real estate | | | |
| 12.5 Other invested assets | | | |
| 12.6 Net gains (or losses) on cash, cash equivalents and short-term investments | | | |
| 12.7 Miscellaneous proceeds | | | |
| 12.8 Total investment proceeds (Lines 12.1 to 12.7) | | | |
| 13. Cost of investments acquired (long-term only): | | | |
| 13.1 Bonds | | | |
| 13.2 Stocks | | | |
| 13.3 Mortgage loans | | | |
| 13.4 Real estate | | | |
| 13.5 Other invested assets | | | |
| 13.6 Miscellaneous applications | | | |
| 13.7 Total investments acquired (Lines 13.1 to 13.6) | | | |
| 14. Net increase (or decrease) in contract loans and premium notes | | | |
| 15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14) | | | |
| Cash from Financing and Miscellaneous Sources | | | |
| 16. Cash provided (applied): | | | |
| 16.1 Surplus notes, capital notes | | | |
| 16.2 Capital and paid in surplus, less treasury stock | | | |
| 16.3 Borrowed funds | | (3,650,625) | (184,301,250) |
| 16.4 Net deposits on deposit-type contracts and other insurance liabilities | | | |
| 16.5 Dividends to stockholders | | | |
| 16.6 Other cash provided (applied) | (3,364,912) | (5,743,829) | 734,999 |
| 17. Net cash from financing and miscellaneous sources (Line 16.1 through Line 16.4 minus Line 16.5 plus Line 16.6) | (3,364,912) | (9,394,454) | (183,566,251) |
| RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS | | | |
| 18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17) | (50,521,450) | 13,652,672 | (9,957,230) |
| 19. Cash, cash equivalents and short-term investments: | | | |
| 19.1 Beginning of year | 483,869,657 | 493,826,887 | 493,826,887 |
| 19.2 End of period (Line 18 plus Line 19.1) | 433,348,207 | 507,479,559 | 483,869,657 |

Note: Supplemental disclosures of cash flow information for non-cash transactions:

| | | | |
|---------|--|--|--|
| 20.0001 | | | |
| 20.0002 | | | |
| 20.0003 | | | |

NOTES TO FINANCIAL STATEMENTS

Note 1 – Summary of Significant Accounting Policies and Going Concern

A. Accounting Practices, Impact of NAIC/State Differences

The accompanying financial statements of Texas Windstorm Insurance Association (The "Association" or "TWIA") have been prepared on the basis of accounting practices prescribed or permitted by the Texas Department of Insurance ("TDI"). TDI prescribed statutory accounting practices include state laws, regulations and general administrative rules applicable to all insurance companies domiciled in the State of Texas and the National Association of Insurance Commissioners' Accounting Practices and Procedures Manual ("NAIC SAP") subject to any deviations prescribed or permitted by TDI.

Reconciliations of net income and policyholders' surplus between the amounts reported in the accompanying financial statements (TX basis) and NAIC SAP follow:

| Net Income | SSAP # | F/S Page | F/S Line # | March 31, 2023 | December 31, 2022 |
|------------------------------------------------------------------------------|--------|----------|------------|----------------|-------------------|
| 1. Company state basis (P 4, Line 20, Columns 1 & 3) | XXX | XXX | XXX | \$60,700,308 | \$61,785,119 |
| 2. State Prescribed Practices that is an increase / (decrease) from NAIC SAP | | | | - | - |
| 3. State Permitted Practices that is an increase / (decrease) from NAIC SAP | | | | - | - |
| 4. NAIC SAP (1 – 2 – 3 = 4) | XXX | XXX | XXX | \$60,700,308 | \$61,785,119 |

| Surplus | SSAP # | F/S Page | F/S Line # | March 31, 2023 | December 31, 2022 |
|------------------------------------------------------------------------------|--------|----------|------------|----------------|-------------------|
| 5. Company state basis (Page 3, Line 37, Columns 1 & 2) | XXX | XXX | XXX | \$90,763,564 | \$38,642,859 |
| 6. State Prescribed Practices that is an increase / (decrease) from NAIC SAP | | | | - | - |
| 7. State Permitted Practices that is an increase / (decrease) from NAIC SAP | | | | - | - |
| 8. NAIC SAP (5 – 6 – 7 = 8) | XXX | XXX | XXX | \$90,763,564 | \$38,642,859 |

B. Use of Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the amounts reported in these financial statements and accompanying footnotes. Actual results could differ from these estimates.

C. Accounting Policies

All insurance policies issued by the Association have a maximum term of one year from date of issuance. Premiums are earned over the terms of the related policies whereas the related acquisition costs such as sales commissions are expensed when incurred. Unearned premiums, net of deductions for reinsurance, are computed on a pro-rata basis to cover the unexpired portion of premiums written. Premiums receivable are primarily due from agents and policyholders and are charged off when specific balances are determined to be uncollectible. Net investment income consists primarily of interest income recognized on an accrual basis and is reduced by investment related expenses.

In addition, the company uses the following accounting policies:

1. Short-term investments are stated at amortized cost, which approximates market value. Reverse repurchase agreements are recorded in cash equivalents if the repurchase date is less than 90 days. Reverse repurchase agreements represent the purchase of a security with an agreement to resell.
2. through 9. Investment and mortgage loan related, Not applicable.
10. The Association does not anticipate investment income when evaluating the need for premium deficiency reserves.
11. Loss and loss adjustment expense reserves are based upon claim estimates for (1) losses for claims reported prior to the close of the accounting period, (2) losses incurred but unreported prior to the close of the accounting period, and (3) expenses for investigating and adjusting claims. Such liabilities are necessarily based on assumptions and estimates and while management believes the amounts are adequate, the ultimate liabilities may be in excess of or less than the amount provided. The methods for making such estimates and for establishing the resulting liabilities are continually reviewed and any adjustments are reflected in the period determined.
12. The Association has a written capitalization policy for prepaid expenses and purchases of items such as electronic data processing equipment, software, furniture, other equipment and leasehold improvements. The predefined capitalization thresholds under this policy have not changed from those of the prior year.
13. Not applicable as the Association does not write medical insurance with prescription drug coverage.

D. Going Concern

NOTES TO FINANCIAL STATEMENTS

Based upon its evaluation of relevant conditions and events, management does not have substantial doubt about the Association's ability to continue as a going concern.

Note 2 – Accounting Changes and Correction of Errors

- A. Material Changes in Accounting Principle
None
- B. Correction of Errors
Not applicable

Note 3 – Business Combinations and Goodwill

Not applicable

Note 4 – Discontinued Operations

Not applicable

Note 5 – Investments

- A. Mortgage Loans, including Mezzanine Real Estate Loans
None
- B. Troubled Debt Restructuring for Creditors
None
- C. Reverse Mortgages
None
- D. Loan-Backed and Structured Securities
None
- E. Dollar Repurchase Agreements and/or Securities Lending Transactions
None
- F. Repurchase Agreements Transactions Accounted for as a Secured Borrowing
None
- G. Reverse Repurchase Agreements Transactions Accounted for as a Secured Borrowing
None
- H. Repurchase Agreements Transactions Accounted for as a Sale
None
- I. Reverse Repurchase Agreements Transactions Accounted for as a Sale
None
- J. Real Estate
None
- K. Low-Income Housing Tax Credits
None
- L. Restricted Assets
None
- M. Working Capital Finance Investments

NOTES TO FINANCIAL STATEMENTS

None

N. Offsetting and Netting of Assets and Liabilities

None

O. 5GI Securities

None

P. Short Sales

None

Q. Prepayment Penalty and Acceleration Fees

None

Note 6 – Joint Ventures, Partnerships and Limited Liability Companies

Not applicable

Note 7 – Investment Income

A. Accrued Investment Income

The Association does not admit investment income due and accrued if amounts are over 90 days past due.

B. Amounts Non-Admitted

None

Note 8 – Derivative Instruments

Not applicable

Note 9 – Income Taxes

In 2010, Texas Windstorm Insurance Association (The “Association”) applied for and received a Private Letter Ruling (“PLR”) from the Internal Revenue Service. The PLR requested acknowledgement that the Association’s income is derived from an essential governmental function which accrues to a state or political subdivision and is therefore excluded from gross income under Section 115(1) of the Internal Revenue Code (“IRC”). On August 17, 2010, the Internal Revenue Service ruled that the Association performs an essential government function and that income from that function is excluded from gross income under IRC Section 115(1).

The Association had been filing form 1120-PC tax returns with the Internal Revenue Service as a property and casualty insurance company. Under the Internal Revenue Code the statute of limitations to be assessed additional taxes or to file amended tax returns is 3 years from the later of the due date of the return (including extensions) or the filing date of the return. There are existing net operating loss carryforwards in open tax years that are not anticipated to be realized. No further federal income tax impact is expected in the future.

Note 10 – Information Concerning Parent, Subsidiaries, Affiliates and Other Related Parties

A. Nature of Relationships

Pursuant to the Association’s Plan of Operation, the Board of Directors consists of nine voting members appointed by the Commissioner of Insurance. The nine-member Board includes three public members residing in the first tier coastal counties and representing certain regions of the catastrophe area, three non-coastal representatives residing more than 100 miles from the coast, and three industry representatives actively writing and renewing windstorm and hail insurance in the first tier coastal counties.

On October 10, 2002, the Texas Commissioner of Insurance enacted Article 21.49A of the Texas Insurance Code creating the Texas FAIR Plan Association (“FAIR Plan” or “the Plan”). The Commissioner instructed the Texas Windstorm Insurance Association to manage all activities of FAIR Plan.

B. Significant Transactions and Changes in Terms of Intercompany Arrangements

None

C. Transactions with related parties who are not reported on Schedule Y

NOTES TO FINANCIAL STATEMENTS

None

D. Amounts Due to or from Related Parties

No significant change

E. Management, Service Contracts, Cost Sharing Arrangements

During 2002, the Association entered into a service contract with the Texas Fair Plan Association in which the Association is to be fully reimbursed for all expenditures, professional fees, consulting services, allocated employee time, lost investment income and other costs directly associated with the services provided by the Association on behalf of the Plan.

F. Guarantees or Undertakings for Related Parties

Not applicable

G. Nature of Relationships that Could Affect Operations

None

H. Amount Deducted for Investment in Upstream Company

Not applicable

I. Detail of Investments in Affiliates Greater than 10% of Admitted Assets

Not applicable

J. Write-downs for Impairment of Investments in Affiliates

Not applicable

K. Foreign Insurance Subsidiary Valued Using CARVM

Not applicable

L. Downstream Holding Company Valued Using Look-Through Method

Not applicable

M. All SCA Investments

Not applicable

N. Investment in Insurance SCAs

Not applicable

O. SCA or SSAP No. 48 Loss Tracking

Not applicable

Note 11 – Debt

A. Debt

No significant change

B. FHLB (Federal Home Loan Bank) Agreements

Not applicable

Note 12 – Retirement Plans, Deferred Compensation, Postemployment Benefits and Compensated Absences and Other Postretirement Benefit Plans

No change

Note 13 – Capital and Surplus, Dividend Restrictions and Quasi-Reorganizations

No change

Note 14 – Liabilities, Contingencies and Assessments

NOTES TO FINANCIAL STATEMENTS

- A. Contingent Commitments
The Association has no commitments or contingent commitments to other entities.
- B. Assessments
Not applicable
- C. Gain Contingencies
Not applicable
- D. Claims Related Extra Contractual Obligation and Bad Faith Losses Stemming from Lawsuits
No change
- E. Product Warranties
Not applicable
- F. Joint and Several Liabilities
Not applicable
- G. Other Contingencies
No change

Note 15 – Leases

- A. Lessee Leasing Arrangements
No significant change
- B. Lessor Leasing Arrangements
Not applicable

Note 16 – Information about Financial Instruments with Off-Balance Sheet Risk

Not applicable

Note 17 – Sales, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities

Not applicable

Note 18 – Gain or Loss from Uninsured Plans and Uninsured Portion of Partially Insured Plans

Not applicable

Note 19 – Direct Premium Written/Produced by Managing General Agents/Third Party Administrators

Not applicable

Note 20 – Fair Value Measurements

- A. Inputs Used for Assets and Liabilities Measured and Reported at Fair Value
Not applicable
- B. Other Fair Value Disclosures
Not applicable
- C. Fair Values for All Financial Instruments by Levels 1, 2 and 3

The table below reflects the fair values and admitted values of all admitted assets and liabilities that are financial instruments. The fair values are also categorized into the three-level fair value hierarchy. The three-level fair value hierarchy is based on the degree of subjectivity inherent in the valuation method by which fair value was determined. The three levels are defined as follows.

Level 1- Quoted Prices in Active Markets for Identical Assets and Liabilities.

NOTES TO FINANCIAL STATEMENTS

Level 2 - Significant Other Observable Inputs: This category is for items measured at fair value on a recurring basis often determined by independent pricing services using observable inputs. The Association has no assets or liabilities measured at fair value in this category.

Level 3 - Significant Unobservable Inputs: The Association has no assets or liabilities measured at fair value in this category.

Cash and cash equivalents are the only financial instruments held by the Association.

| <u>Type of Financial Instrument</u> | <u>Aggregate Fair Value</u> | <u>Admitted Assets</u> | <u>Level 1</u> | <u>Level 2</u> | <u>Level 3</u> | <u>Net Asset Value (NAV)</u> | <u>Not Practicable (Carrying Value)</u> |
|----------------------------------------------------------------|-----------------------------|------------------------|----------------------|----------------|----------------|------------------------------|-----------------------------------------|
| Cash, cash equivalents and short-term investments | \$ 88,195,078 | \$ 88,195,078 | \$ 88,195,078 | \$ - | \$ - | \$ - | \$ - |
| Exempt Money Market Mutual Funds – as Identified by SVO | 345,153,129 | 345,153,129 | - | - | - | \$345,153,129 | - |
| Total Cash, cash equivalents and short-term investments | \$ 433,348,207 | \$ 433,348,207 | \$ 88,195,078 | \$ - | \$ - | \$345,153,129 | \$ - |

D. Items for which Not Practicable to Estimate Fair Values

Not applicable

E. Instruments Measured at Net Asset Value (NAV)

The Association has elected to use NAV for all money market mutual funds in lieu of fair value as NAV is more readily available. These funds are backed by high quality, very liquid short-term instruments and the probability is remote that the funds would be sold for a value other than NAV.

Note 21 – Other Items

A. Unusual or Infrequent Items

No change

B. Troubled Debt Restructuring for Debtors

Not applicable

C. Other Disclosures

Not applicable

D. Business Interruption Insurance Recoveries

Not applicable

E. State Transferable and Non-transferable Tax Credits

Not applicable

F. Subprime Mortgage Related Risk Exposure

Not applicable

G. Insurance Linked Securities (ILS) Contracts

No change

Note 22 – Events Subsequent

The Association has evaluated subsequent events through May 11, 2023, the date of issuance of these statutory financial statements. There were no events occurring subsequent to the end of the first quarter 2023 that merited recognition or disclosure in these statements.

Note 23 - Reinsurance

A. Unsecured Reinsurance Recoverables

No change

B. Reinsurance Recoverables in Dispute

No change

NOTES TO FINANCIAL STATEMENTS

- C. Reinsurance Assumed and Ceded
No change
- D. Uncollectible Reinsurance
None
- E. Commutation of Ceded Reinsurance
Not applicable
- F. Retroactive Reinsurance
Not applicable
- G. Reinsurance Accounted for as a Deposit
Not applicable
- H. Run-off Agreements
Not applicable
- I. Certified Reinsurer Rating Downgraded or Status Subject to Revocation
Not applicable
- J. Reinsurance Agreements Qualifying for Reinsurer Aggregation
Not applicable
- K. Reinsurance Credit on Contracts Covering Health Business
Not applicable

Note 24 – Retrospectively Rated Contracts and Contracts Subject to Redetermination

Not applicable

Note 25 – Changes in Incurred Losses and Loss Adjustment Expenses

- A. Current year changes in estimates of the costs of prior year losses and loss adjustment expenses (LAE) affect the current year Statement of Income. Increases in those estimates increase current year expense and are referred to as unfavorable development or prior year reserve shortages. Decreases in those estimates decrease current year expense and are referred to as favorable development or prior year reserve redundancies. Current calendar year losses and LAE reflected on the Statement of Income of \$21,552,916 had \$56,816 of unfavorable prior year development. Increases or decreases of this nature occur as the result of claim settlements and receipt and evaluation of additional information regarding unpaid claims. Recent development trends are also taken into account in evaluating the overall adequacy of reserves. Due to the inherently uncertain process involving loss and loss adjustment expense reserve estimates, the final resolution of the ultimate liability may be different from that anticipated at the reporting date. The Appointed Actuary for the Association has opined that the loss and LAE reserves as of March 31, 2023 make a reasonable provision for the Association's claims liabilities.

NOTES TO FINANCIAL STATEMENTS

| Rollforward of unpaid losses and LAE | March 31, 2023 | December 31, 2022 |
|-------------------------------------------|----------------|-------------------|
| Balance as of January 1, | 58,181,307 | 77,625,971 |
| Less: Reinsurance Recoverable | 5,967 | 40,877 |
| Net Balance at January 1, | 58,175,340 | 77,585,094 |
| Incurred, net of reinsurance, related to: | | |
| Current year | 21,496,100 | 40,637,331 |
| Prior years | 56,816 | 10,610,583 |
| Net Incurred | 21,552,916 | 51,247,914 |
| Paid, net of reinsurance, related to: | | |
| Current year | (10,467,484) | (28,938,058) |
| Prior years | (21,265,274) | (41,719,610) |
| Net Paid Losses | (31,732,758) | (70,657,668) |
| Net Balance at end of period, | 47,995,498 | 58,175,340 |
| Plus: Reinsurance Recoverable | 5,759 | 5,967 |
| Balance at end of period, | \$ 48,001,257 | \$ 58,181,307 |

B. Significant Changes in Reserving Methodology

Not applicable

Note 26 – Intercompany Pooling Arrangements

Not applicable

Note 27 – Structured Settlements

Not applicable

Note 28 – Health Care Receivables

Not applicable

Note 29 – Participating Policies

Not applicable

Note 30 – Premium Deficiency Reserves

No change

Note 31 – High Deductibles

Not applicable

Note 32 – Discounting of Liabilities for Unpaid Losses or Unpaid Loss Adjustment Expenses

Not applicable

Note 33 – Asbestos and Environmental Reserves

No change

Note 34 – Subscriber Savings Accounts

Not applicable

Note 35 – Multiple Peril Crop Insurance

Not applicable

Note 36 – Financial Guaranty Insurance

A. and B. Not applicable

GENERAL INTERROGATORIES

PART 1 – COMMON INTERROGATORIES

GENERAL

1.1 Did the reporting entity experience any material transactions requiring the filing of Disclosure of Material Transactions with the State of Domicile, as required by the Model Act? Yes [] No [X]

1.2 If yes, has the report been filed with the domiciliary state? Yes [] No []

2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity? Yes [] No [X]

2.2 If yes, date of change: _____

3.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer? Yes [] No [X]

If yes, complete Schedule Y, Parts 1 and 1A.

3.2 Have there been any substantial changes in the organizational chart since the prior quarter end? Yes [] No [X]

3.3 If the response to 3.2 is yes, provide a brief description of those changes.

3.4 Is the reporting entity publicly traded or a member of a publicly traded group? Yes [] No [X]

3.5 If the response to 3.4 is yes, provide the CIK (Central Index Key) code issued by the SEC for the entity/group. _____

4.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes [] No [X]

4.2 If yes, provide the name of entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

| 1 Name of Entity | 2 NAIC Company Code | 3 State of Domicile |
|---------------------|------------------------|------------------------|
| | | |
| | | |

5. If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved? Yes [] No [X] N/A []
 If yes, attach an explanation.

6.1 State as of what date the latest financial examination of the reporting entity was made or is being made. _____ 12/31/2022

6.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released. _____ 12/31/2017

6.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date). _____ 02/12/2019

6.4 By what department or departments?
 Texas Department of Insurance

6.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments? Yes [X] No [] N/A []

6.6 Have all of the recommendations within the latest financial examination report been complied with? Yes [X] No [] N/A []

7.1 Has this reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? Yes [] No [X]

7.2 If yes, give full information

GENERAL INTERROGATORIES

8.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board? Yes [] No [X]

8.2 If response to 8.1 is yes, please identify the name of the bank holding company.

8.3 Is the company affiliated with one or more banks, thrifts or securities firms? Yes [] No [X]

8.4 If response to 8.3 is yes, please provide below the names and location (city and state of the main office) of any affiliates regulated by a federal regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.

| 1 Affiliate Name | 2 Location (City, State) | 3 FRB | 4 OCC | 5 FDIC | 6 SEC |
|------------------------|--------------------------------|----------|----------|-----------|----------|
| | | | | | |
| | | | | | |

9.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards?
 (a) Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
 (b) Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;
 (c) Compliance with applicable governmental laws, rules, and regulations;
 (d) The prompt internal reporting of violations to an appropriate person or persons identified in the code; and
 (e) Accountability for adherence to the code. Yes [X] No []

9.11 If the response to 9.1 is No, please explain:

9.2 Has the code of ethics for senior managers been amended? Yes [] No [X]

9.21 If the response to 9.2 is Yes, provide information related to amendment(s).

9.3 Have any provisions of the code of ethics been waived for any of the specified officers? Yes [] No [X]

9.31 If the response to 9.3 is Yes, provide the nature of any waiver(s).

FINANCIAL

10.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? Yes [X] No []

10.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: \$ _____

INVESTMENT

11.1 Were any of the stocks, bonds, or other assets of the reporting entity loaned, placed under option agreement, or otherwise made available for use by another person? (Exclude securities under securities lending agreements.) Yes [] No [X]

11.2 If yes, give full and complete information relating thereto:

12. Amount of real estate and mortgages held in other invested assets in Schedule BA: \$ _____

13. Amount of real estate and mortgages held in short-term investments: \$ _____

GENERAL INTERROGATORIES

14.1 Does the reporting entity have any investments in parent, subsidiaries and affiliates? Yes [] No [X]

14.2 If yes, please complete the following:

| | 1 | 2 |
|--------------------------------------------------------------------------------------------------------|---------------------------------------------------|----------------------------------------------------|
| | Prior Year-End Book/Adjusted Carrying Value | Current Quarter Book/Adjusted Carrying Value |
| 14.21 Bonds | \$ _____ | \$ _____ |
| 14.22 Preferred Stock | \$ _____ | \$ _____ |
| 14.23 Common Stock | \$ _____ | \$ _____ |
| 14.24 Short-Term Investments | \$ _____ | \$ _____ |
| 14.25 Mortgage Loans on Real Estate | \$ _____ | \$ _____ |
| 14.26 All Other | \$ _____ | \$ _____ |
| 14.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26) | \$ _____ | \$ _____ |
| 14.28 Total Investment in Parent included in Lines 14.21 to 14.26 above | \$ _____ | \$ _____ |

15.1 Has the reporting entity entered into any hedging transactions reported on Schedule DB? Yes [] No [X]

15.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state?
If no, attach a description with this statement. Yes [] No [] N/A [X]

16. For the reporting entity's security lending program, state the amount of the following as of the current statement date:

| | |
|----------------------------------------------------------------------------------------------------------------|----------|
| 16.1 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2 | \$ _____ |
| 16.2 Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2 | \$ _____ |
| 16.3 Total payable for securities lending reported on the liability page | \$ _____ |

17. Excluding items in Schedule E - Part 3 - Special Deposits, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Section 1, III - General Examination Considerations, F. Outsourcing of Critical Functions, Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook? Yes [] No [X]

17.1 For all agreements that comply with the requirements of the NAIC Financial Condition Examiners Handbook, complete the following:

| 1 Name of Custodian(s) | 2 Custodian Address |
|---------------------------|------------------------|
| | |
| | |

17.2 For all agreements that do not comply with the requirements of the NAIC Financial Condition Examiners Handbook, provide the name, location and a complete explanation:

| 1 Name(s) | 2 Location(s) | 3 Complete Explanation(s) |
|--------------|------------------|------------------------------|
| | | |
| | | |

17.3 Have there been any changes, including name changes, in the custodian(s) identified in 17.1 during the current quarter? Yes [] No [X]

17.4 If yes, give full and complete information relating thereto:

| 1 Old Custodian | 2 New Custodian | 3 Date of Change | 4 Reason |
|--------------------|--------------------|---------------------|-------------|
| | | | |
| | | | |

GENERAL INTERROGATORIES

17.5 Investment management - Identify all investment advisors, investment managers, broker/dealers, Including individuals that have the authority to make investments decisions on behalf of the reporting entity. For assets that are managed internally by employees of the reporting entity, note as such. ["..that have access to the investment accounts";"..handle securities"]

| 1 Name of Firm or Individual | 2 Affiliation |
|---------------------------------|------------------|
| David Durden | I |
| Stuart Harbour | I |

17.5097 For those firms/individuals listed in the table for Question 17.5, do any firms/individuals unaffiliated with the reporting entity (i.e., designated with a "U") manage more than 10% of the reporting entity's invested assets? Yes [] No [X]

17.5098 For firms/individuals unaffiliated with the reporting entity (i.e., designated with a "U") listed in the table for Question 17.5, the total assets under management aggregate to more than 50% of the reporting entity's invested assets? Yes [] No [X]

17.6 For those firms or individuals listed in the table for 17.5 with an affiliation code of "A" (affiliated) or "U" (unaffiliated), provide the information for the table below.

| 1 Central Registration Depository Number | 2 Name of Firm or Individual | 3 Legal Entity Identifier (LEI) | 4 Registered With | 5 Investment Management Agreement (IMA) Filed |
|------------------------------------------------|------------------------------------|---------------------------------------|----------------------|-----------------------------------------------------|
| | | | | |

18.1 Have all the filing requirements of the Purposes and Procedures Manual of the NAIC Investment Analysis Office been followed? Yes [X] No []

18.2 If no, list exceptions:

19. By self-designating 5GI securities, the reporting entity is certifying the following elements for each self-designated 5GI security:

- a. Documentation necessary to permit a full credit analysis of the security does not exist or an NAIC CRP credit rating for an FE or PL security is not available.
- b. Issuer or obligor is current on all contracted interest and principal payments.
- c. The insurer has an actual expectation of ultimate payment of all contracted interest and principal.

Has the reporting entity self-designated 5GI securities? Yes [] No [X]

20. By self-designating PLGI securities, the reporting entity is certifying the following elements of each self-designated PLGI security:

- a. The security was purchased prior to January 1, 2018.
- b. The reporting entity is holding capital commensurate with the NAIC Designation reported for the security.
- c. The NAIC Designation was derived from the credit rating assigned by an NAIC CRP in its legal capacity as a NRSRO which is shown on a current private letter rating held by the insurer and available for examination by state insurance regulators.
- d. The reporting entity is not permitted to share this credit rating of the PL security with the SVO.

Has the reporting entity self-designated PLGI securities? Yes [] No [X]

21. By assigning FE to a Schedule BA non-registered private fund, the reporting entity is certifying the following elements of each self-designated FE fund:

- a. The shares were purchased prior to January 1, 2019.
- b. The reporting entity is holding capital commensurate with the NAIC Designation reported for the security.
- c. The security had a public credit rating(s) with annual surveillance assigned by an NAIC CRP in its legal capacity as an NRSRO prior to January 1, 2019.
- d. The fund only or predominantly holds bonds in its portfolio.
- e. The current reported NAIC Designation was derived from the public credit rating(s) with annual surveillance assigned by an NAIC CRP in its legal capacity as an NRSRO.
- f. The public credit rating(s) with annual surveillance assigned by an NAIC CRP has not lapsed.

Has the reporting entity assigned FE to Schedule BA non-registered private funds that complied with the above criteria? Yes [] No [X]

GENERAL INTERROGATORIES

PART 2 - PROPERTY & CASUALTY INTERROGATORIES

1. If the reporting entity is a member of a pooling arrangement, did the agreement or the reporting entity's participation change? Yes [] No [] N/A [X]
 If yes, attach an explanation.

2. Has the reporting entity reinsured any risk with any other reporting entity and agreed to release such entity from liability, in whole or in part, from any loss that may occur on the risk, or portion thereof, reinsured? Yes [] No [X]
 If yes, attach an explanation.

3.1 Have any of the reporting entity's primary reinsurance contracts been canceled? Yes [] No [X]

3.2 If yes, give full and complete information thereto:

4.1 Are any of the liabilities for unpaid losses and loss adjustment expenses other than certain workers' compensation tabular reserves (see Annual Statement Instructions pertaining to disclosure of discounting for definition of "tabular reserves") discounted at a rate of interest greater than zero? Yes [] No [X]

4.2 If yes, complete the following schedule:

| 1 Line of Business | 2 Maximum Interest | 3 Discount Rate | TOTAL DISCOUNT | | | | DISCOUNT TAKEN DURING PERIOD | | | |
|-----------------------|-----------------------|--------------------|--------------------|-----------------|-----------|------------|------------------------------|-----------------|------------|-------------|
| | | | 4 Unpaid Losses | 5 Unpaid LAE | 6 IBNR | 7 TOTAL | 8 Unpaid Losses | 9 Unpaid LAE | 10 IBNR | 11 TOTAL |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| TOTAL | | | | | | | | | | |

5. Operating Percentages:
 5.1. A&H loss percent _____ %
 5.2. A&H cost containment percent _____ %
 5.3. A&H expense percent excluding cost containment expenses _____ %

6.1 Do you act as a custodian for health savings accounts? Yes [] No [X]

6.2 If yes, please provide the amount of custodial funds held as of the reporting date. \$ _____

6.3 Do you act as an administrator for health savings accounts? Yes [] No [X]

6.4 If yes, please provide the balance of the funds administered as of the reporting date. \$ _____

7. Is the reporting entity licensed or chartered, registered, qualified, eligible or writing business in at least two states? Yes [] No [X]

7.1 If no, does the reporting entity assume reinsurance business that covers risks residing in at least one state other than the state of domicile of the reporting entity Yes [] No [X]

NONE Schedule F

SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

Current Year To Date - Allocated by States and Territories

| States, Etc. | 1 Active Status (a) | Direct Premiums Written | | Direct Losses Paid (Deducting Salvage) | | Direct Losses Unpaid | | |
|------------------------------|------------------------------|------------------------------|----------------------------|----------------------------------------|----------------------------|------------------------------|----------------------------|------------|
| | | 2 Current Year to Date | 3 Prior Year to Date | 4 Current Year to Date | 5 Prior Year to Date | 6 Current Year to Date | 7 Prior Year to Date | |
| 1. Alabama | AL | N | | | | | | |
| 2. Alaska | AK | N | | | | | | |
| 3. Arizona | AZ | N | | | | | | |
| 4. Arkansas | AR | N | | | | | | |
| 5. California | CA | N | | | | | | |
| 6. Colorado | CO | N | | | | | | |
| 7. Connecticut | CT | N | | | | | | |
| 8. Delaware | DE | N | | | | | | |
| 9. District of Columbia | DC | N | | | | | | |
| 10. Florida | FL | N | | | | | | |
| 11. Georgia | GA | N | | | | | | |
| 12. Hawaii | HI | N | | | | | | |
| 13. Idaho | ID | N | | | | | | |
| 14. Illinois | IL | N | | | | | | |
| 15. Indiana | IN | N | | | | | | |
| 16. Iowa | IA | N | | | | | | |
| 17. Kansas | KS | N | | | | | | |
| 18. Kentucky | KY | N | | | | | | |
| 19. Louisiana | LA | N | | | | | | |
| 20. Maine | ME | N | | | | | | |
| 21. Maryland | MD | N | | | | | | |
| 22. Massachusetts | MA | N | | | | | | |
| 23. Michigan | MI | N | | | | | | |
| 24. Minnesota | MN | N | | | | | | |
| 25. Mississippi | MS | N | | | | | | |
| 26. Missouri | MO | N | | | | | | |
| 27. Montana | MT | N | | | | | | |
| 28. Nebraska | NE | N | | | | | | |
| 29. Nevada | NV | N | | | | | | |
| 30. New Hampshire | NH | N | | | | | | |
| 31. New Jersey | NJ | N | | | | | | |
| 32. New Mexico | NM | N | | | | | | |
| 33. New York | NY | N | | | | | | |
| 34. North Carolina | NC | N | | | | | | |
| 35. North Dakota | ND | N | | | | | | |
| 36. Ohio | OH | N | | | | | | |
| 37. Oklahoma | OK | N | | | | | | |
| 38. Oregon | OR | N | | | | | | |
| 39. Pennsylvania | PA | N | | | | | | |
| 40. Rhode Island | RI | N | | | | | | |
| 41. South Carolina | SC | N | | | | | | |
| 42. South Dakota | SD | N | | | | | | |
| 43. Tennessee | TN | N | | | | | | |
| 44. Texas | TX | L | 116,531,023 | 87,214,752 | 26,435,665 | 13,458,434 | 33,957,295 | 53,147,562 |
| 45. Utah | UT | N | | | | | | |
| 46. Vermont | VT | N | | | | | | |
| 47. Virginia | VA | N | | | | | | |
| 48. Washington | WA | N | | | | | | |
| 49. West Virginia | WV | N | | | | | | |
| 50. Wisconsin | WI | N | | | | | | |
| 51. Wyoming | WY | N | | | | | | |
| 52. American Samoa | AS | N | | | | | | |
| 53. Guam | GU | N | | | | | | |
| 54. Puerto Rico | PR | N | | | | | | |
| 55. U.S. Virgin Islands | VI | N | | | | | | |
| 56. Northern Mariana Islands | MP | N | | | | | | |
| 57. Canada | CAN | N | | | | | | |
| 58. Aggregate Other Alien | OT | X X X | | | | | | |
| 59. Totals | X X X | | 116,531,023 | 87,214,752 | 26,435,665 | 13,458,434 | 33,957,295 | 53,147,562 |

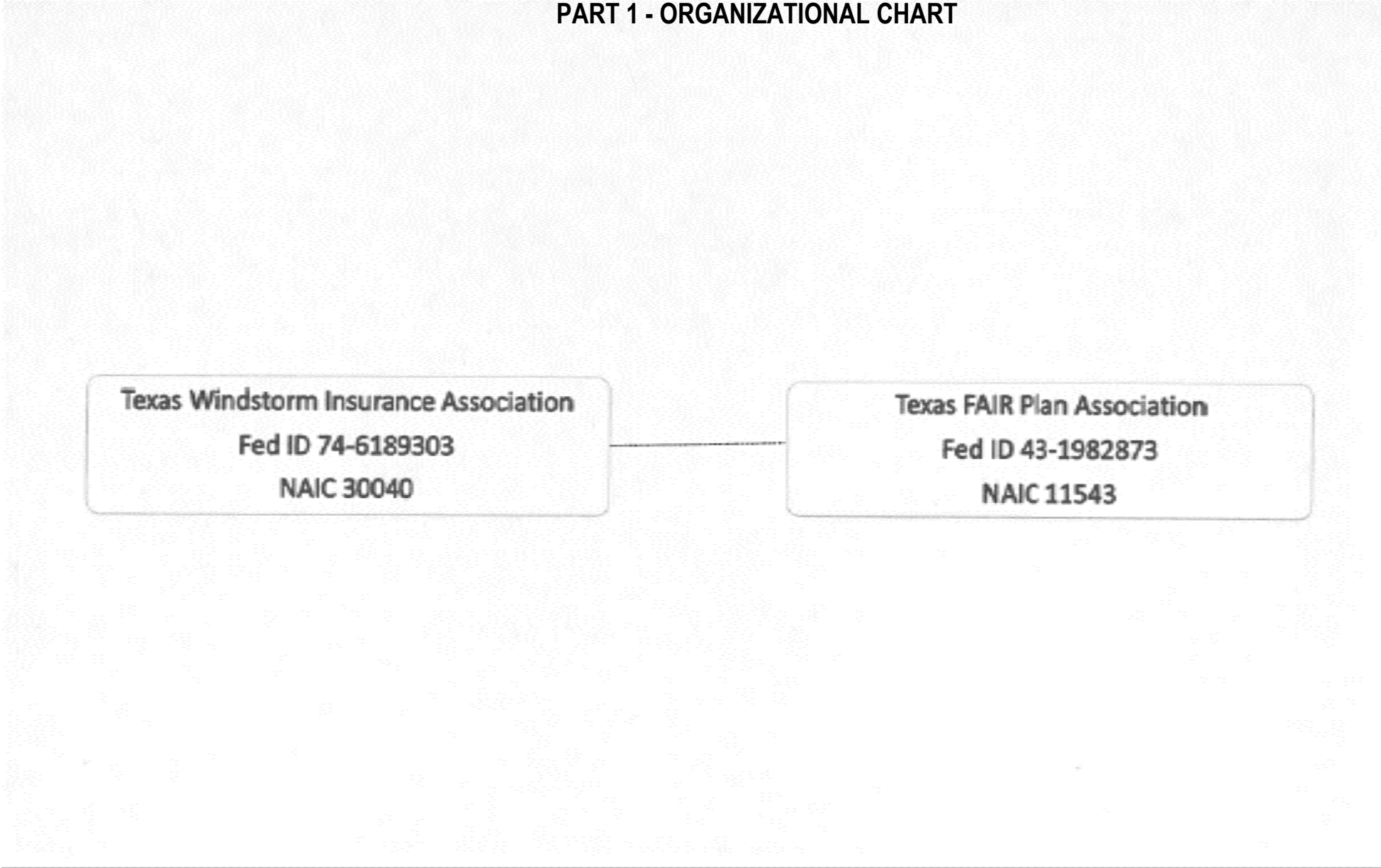
| DETAILS OF WRITE-INS | | | | | | | |
|----------------------------------------------------------------------|-------|--|--|--|--|--|--|
| 58001. | X X X | | | | | | |
| 58002. | X X X | | | | | | |
| 58003. | X X X | | | | | | |
| 58998. Summary of remaining write-ins for Line 58 from overflow page | X X X | | | | | | |
| 58999. Totals (Lines 58001 through 58003 plus 58998) (Line 58 above) | X X X | | | | | | |

NONE

- (a) Active Status Counts
- 1. L – Licensed or Chartered - Licensed insurance carrier or domiciled RRG 1
 - 2. R - Registered - Non-domiciled RRGs _____
 - 3. E – Eligible - Reporting entities eligible or approved to write surplus lines in the state _____
 - 4. Q - Qualified - Qualified or accredited reinsurer _____
 - 5. D - Domestic Surplus Lines Insurer (DSL) - Reporting entities authorized to write surplus lines in the state of domicile _____
 - 6. N – None of the above - Not allowed to write business in the state (other than their state of domicile - See DSLI) 56

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP

PART 1 - ORGANIZATIONAL CHART



PART 1 – LOSS EXPERIENCE

| Lines of Business | Current Year to Date | | | 4 Prior Year to Date Direct Loss Percentage |
|-------------------------------------------------------------------|--------------------------------|--------------------------------|--------------------------------|------------------------------------------------------|
| | 1 Direct Premiums Earned | 2 Direct Losses Incurred | 3 Direct Loss Percentage | |
| 1. Fire | | | | |
| 2.1 Allied lines | 130,657,378 | 20,876,177 | 15.978 | 9.057 |
| 2.2 Multiple peril crop | | | | |
| 2.3 Federal flood | | | | |
| 2.4 Private crop | | | | |
| 2.5 Private flood | | | | |
| 3. Farmowners multiple peril | | | | |
| 4. Homeowners multiple peril | | | | |
| 5.1 Commercial multiple peril (non-liability portion) | | | | |
| 5.2 Commercial multiple peril (liability portion) | | | | |
| 6. Mortgage guaranty | | | | |
| 8. Ocean marine | | | | |
| 9. Inland marine | | | | |
| 10. Financial guaranty | | | | |
| 11.1 Medical professional liability-occurrence | | | | |
| 11.2 Medical professional liability-claims made | | | | |
| 12. Earthquake | | | | |
| 13.1 Comprehensive (hospital and medical) individual | | | | |
| 13.2 Comprehensive (hospital and medical) group | | | | |
| 14. Credit accident and health | | | | |
| 15.1 Vision only | | | | |
| 15.2 Dental only | | | | |
| 15.3 Disability income | | | | |
| 15.4 Medicare supplement | | | | |
| 15.5 Medicaid Title XIX | | | | |
| 15.6 Medicaid Title XVIII | | | | |
| 15.7 Long-term care | | | | |
| 15.8 Federal employees health benefits plan | | | | |
| 15.9 Other health | | | | |
| 16. Workers' compensation | | | | |
| 17.1 Other liability-occurrence | | | | |
| 17.2 Other liability-claims made | | | | |
| 17.3 Excess Workers' Compensation | | | | |
| 18.1 Products liability-occurrence | | | | |
| 18.2 Products liability-claims made | | | | |
| 19.1 Private passenger auto no-fault (personal injury protection) | | | | |
| 19.2 Other private passenger auto liability | | | | |
| 19.3 Commercial auto no-fault (personal injury protection) | | | | |
| 19.4 Other commercial auto liability | | | | |
| 21.1 Private passenger auto physical damage | | | | |
| 21.2 Commercial auto physical damage | | | | |
| 22. Aircraft (all perils) | | | | |
| 23. Fidelity | | | | |
| 24. Surety | | | | |
| 26. Burglary and theft | | | | |
| 27. Boiler and machinery | | | | |
| 28. Credit | | | | |
| 29. International | | | | |
| 30. Warranty | | | | |
| 31. Reinsurance-Nonproportional Assumed Property | XXX | XXX | XXX | XXX |
| 32. Reinsurance-Nonproportional Assumed Liability | XXX | XXX | XXX | XXX |
| 33. Reinsurance-Nonproportional Assumed Financial Lines | XXX | XXX | XXX | XXX |
| 34. Aggregate write-ins for other lines of business | | | | |
| 35. TOTALS | 130,657,378 | 20,876,177 | 15.978 | |

| DETAILS OF WRITE-INS | | | | |
|---------------------------------------------------------------------|-------------|--|--|--|
| 3401. | NONE | | | |
| 3402. | | | | |
| 3403. | | | | |
| 3498. Summary of remaining write-ins for Line 34 from overflow page | | | | |
| 3499. Totals (Lines 3401 through 3403 plus 3498) (Line 34) | | | | |

PART 2 – DIRECT PREMIUMS WRITTEN

| Lines of Business | 1 Current Quarter | 2 Current Year to Date | 3 Prior Year Year to Date |
|-------------------------------------------------------------------|-------------------------|------------------------------|---------------------------------|
| 1. Fire | | | |
| 2.1 Allied lines | 116,531,023 | 116,531,023 | 87,214,752 |
| 2.2 Multiple peril crop | | | |
| 2.3 Federal flood | | | |
| 2.4 Private crop | | | |
| 2.5 Private flood | | | |
| 3. Farmowners multiple peril | | | |
| 4. Homeowners multiple peril | | | |
| 5.1 Commercial multiple peril (non-liability portion) | | | |
| 5.2 Commercial multiple peril (liability portion) | | | |
| 6. Mortgage guaranty | | | |
| 8. Ocean marine | | | |
| 9. Inland marine | | | |
| 10. Financial guaranty | | | |
| 11.1 Medical professional liability-occurrence | | | |
| 11.2 Medical professional liability-claims made | | | |
| 12. Earthquake | | | |
| 13.1 Comprehensive (hospital and medical) individual | | | |
| 13.2 Comprehensive (hospital and medical) group | | | |
| 14. Credit accident and health | | | |
| 15.1 Vision only | | | |
| 15.2 Dental only | | | |
| 15.3 Disability income | | | |
| 15.4 Medicare supplement | | | |
| 15.5 Medicaid Title XIX | | | |
| 15.6 Medicaid Title XVIII | | | |
| 15.7 Long-term care | | | |
| 15.8 Federal employees health benefits plan | | | |
| 15.9 Other health | | | |
| 16. Workers' compensation | | | |
| 17.1 Other liability-occurrence | | | |
| 17.2 Other liability-claims made | | | |
| 17.3 Excess Workers' Compensation | | | |
| 18.1 Products liability-occurrence | | | |
| 18.2 Products liability-claims made | | | |
| 19.1 Private passenger auto no-fault (personal injury protection) | | | |
| 19.2 Other private passenger auto liability | | | |
| 19.3 Commercial auto no-fault (personal injury protection) | | | |
| 19.4 Other commercial auto liability | | | |
| 21.1 Private passenger auto physical damage | | | |
| 21.2 Commercial auto physical damage | | | |
| 22. Aircraft (all perils) | | | |
| 23. Fidelity | | | |
| 24. Surety | | | |
| 26. Burglary and theft | | | |
| 27. Boiler and machinery | | | |
| 28. Credit | | | |
| 29. International | | | |
| 30. Warranty | | | |
| 31. Reinsurance-Nonproportional Assumed Property | XXX | XXX | XXX |
| 32. Reinsurance-Nonproportional Assumed Liability | XXX | XXX | XXX |
| 33. Reinsurance-Nonproportional Assumed Financial Lines | XXX | XXX | XXX |
| 34. Aggregate write-ins for other lines of business | | | |
| 35. TOTALS | 116,531,023 | 116,531,023 | 87,214,752 |

| DETAILS OF WRITE-INS | | | |
|---------------------------------------------------------------------|-------------|--|--|
| 3401. | NONE | | |
| 3402. | | | |
| 3403. | | | |
| 3498. Summary of remaining write-ins for Line 34 from overflow page | | | |
| 3499. Totals (Lines 3401 through 3403 plus 3498) (Line 34) | | | |

PART 3 (000 omitted)

LOSS AND LOSS ADJUSTMENT EXPENSE RESERVES SCHEDULE

| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 |
|--------------------------------|-------------------------------------------------|-------------------------------------------|----------------------------------------------------------|--------------------------------------------------------------------|----------------------------------------------------------------------|-----------------------------------------------|---------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------|------------------------------------|---------------------------------------------------|--------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------|
| Years in Which Losses Occurred | Prior Year-End Known Case Loss and LAE Reserves | Prior Year-End IBNR Loss and LAE Reserves | Total Prior Year-End Loss and LAE Reserves (Cols. 1 + 2) | 2023 Loss and LAE Payments on Claims Reported as of Prior Year-End | 2023 Loss and LAE Payments on Claims Unreported as of Prior Year-End | Total 2023 Loss and LAE Payments (Cols 4 + 5) | Q.S. Date Known Case Loss and LAE Reserves on Claims Reported and Open as of Prior Year-End | Q.S. Date Known Case Loss and LAE Reserves on Claims Reported or Reopened Subsequent to Prior Year-End | Q.S. Date IBNR Loss & LAE Reserves | Total Q.S. Loss and LAE Reserves (Cols 7 + 8 + 9) | Prior Year-End Known Case Loss and LAE Reserves Developed (Savings)/Deficiency (Cols. 4 + 7 - 1) | Prior Year-End IBNR Loss and LAE Reserves Developed (Savings)/Deficiency (Cols. 5 + 8 + 9 - 2) | Prior Year-End Total Loss and LAE Reserve Developed (Savings)/Deficiency (Cols. 11 + 12) |
| 1. 2020 + prior | 9,483 | 25,414 | 34,897 | 12,707 | | 12,707 | 5,326 | | 16,278 | 21,604 | 8,550 | (9,136) | (586) |
| 2. 2021 | 7,268 | 4,312 | 11,580 | 1,904 | | 1,904 | 5,648 | | 1,359 | 7,007 | 284 | (2,953) | (2,669) |
| 3. Subtotals 2021 + prior | 16,751 | 29,726 | 46,477 | 14,611 | | 14,611 | 10,974 | | 17,637 | 28,611 | 8,834 | (12,089) | (3,255) |
| 4. 2022 | 4,234 | 7,464 | 11,698 | 5,469 | 1,186 | 6,655 | 3,406 | 161 | 4,789 | 8,356 | 4,641 | (1,328) | 3,313 |
| 5. Subtotals 2022 + prior | 20,985 | 37,190 | 58,175 | 20,080 | 1,186 | 21,266 | 14,380 | 161 | 22,426 | 36,967 | 13,475 | (13,417) | 58 |
| 6. 2023 | X X X | X X X | X X X | X X X | 10,467 | 10,467 | X X X | 3,719 | 7,309 | 11,028 | X X X | X X X | X X X |
| 7. Totals | 20,985 | 37,190 | 58,175 | 20,080 | 11,653 | 31,733 | 14,380 | 3,880 | 29,735 | 47,995 | 13,475 | (13,417) | 58 |

8. Prior Year-End Surplus As Regards Policyholders

38,643

| | | |
|------------------|-------------------|-----------------|
| Col. 11, Line 7 | Col. 12, Line 7 | Col. 13, Line 7 |
| As % of Col. 1, | As % of Col. 2, | As % of Col. 3, |
| Line 7 | Line 7 | Line 7 |
| 1. <u>64.213</u> | 2. <u>-36.077</u> | 3. <u>0.100</u> |
| | | Col. 13, Line 7 |
| | | Line 8 |
| | | 4. <u>0.150</u> |

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

The following supplemental reports are required to be filed as part of your statement filing. However, in the event that your company does not transact the type of business for which the special report must be filed, your response of NO to the specific interrogatory will be accepted in lieu of filing a "NONE" report and a bar code will be printed below. If the supplement is required of your company but is not being filed for whatever reason enter SEE EXPLANATION and provide an explanation following the interrogatory questions.

| | Response |
|--------------------------------------------------------------------------------------------------------------------------------------|----------|
| 1. Will the Trusteed Surplus Statement be filed with the state of domicile and the NAIC with this statement? | NO |
| 2. Will Supplement A to Schedule T (Medical Professional Liability Supplement) be filed with this statement? | NO |
| 3. Will the Medicare Part D Coverage Supplement be filed with the state of domicile and the NAIC with this statement? | NO |
| 4. Will the Director and Officer Insurance Coverage Supplement be filed with the state of domicile and the NAIC with this statement? | NO |

AUGUST FILING

| | |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----|
| 5. Will the regulator-only (non-public) Communication of Internal Control Related Matters Noted in Audit be filed with the state of domicile and electronically with the NAIC (as a regulator-only non-public document) by August 1? The response for 1st and 3rd quarters should be N/A. A NO response resulting with a bar code is only appropriate in the 2nd quarter. | N/A |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----|

Explanation:

- Question 1: Not required.
.....
.....
- Question 2: TWIA does not provide medical professional liability coverage.
.....
.....
- Question 3: TWIA does not provide Medicare Part D coverage.
.....
.....
- Question 4: TWIA does not provide D&O coverage.
.....
.....

Bar Code:



OVERFLOW PAGE FOR WRITE-INS

Page 2 - Continuation

ASSETS

| | Current Year | | | Prior Year |
|-------------------------------------------------------------------------------------|--------------|-----------------------|-----------------------------------------|------------------------|
| | 1 | 2 | 3 | 4 |
| REMAINING WRITE-INS AGGREGATED AT LINE 25 FOR OTHER THAN INVESTED ASSETS | Assets | Nonadmitted Assets | Net Admitted Assets (Cols. 1 - 2) | Net Admitted Assets |
| 2504. Security deposit - lease | 118,220 | 118,220 | | |
| 2505. Due from Depop Carriers - Assumption | | | | 387 |
| 2597. Totals (Lines 2501 through 2596) (Page 2, Line 2598) | 118,220 | 118,220 | | 387 |

OVERFLOW PAGE FOR WRITE-INS

Page 3 - Continuation

LIABILITIES, SURPLUS AND OTHER FUNDS

| | 1 | 2 |
|------------------------------------------------------------------|---------------------------|----------------------------|
| REMAINING WRITE-INS AGGREGATED AT LINE 25 FOR LIABILITIES | Current Statement Date | December 31, Prior Year |
| 2504. Outstanding Checks Payable | 861,286 | 861,286 |
| 2505. Surcharge payable | 397,577 | 261,193 |
| 2506. Deferred rent liability | 233,084 | |
| 2507. Due to Depop Carriers - Assumption | 42,532 | |
| 2597. Totals (Lines 2504 through 2596) (Page 3, Line 2598) | 1,534,479 | 1,122,479 |

- NONE Schedule A, B, BA and D Verification**
- NONE Schedule D - Part 1B**
- NONE Schedule DA - Part 1 and Verification**
- NONE Schedule DB - Part A and B Verification**
- NONE Schedule DB - Part C - Section 1**
- NONE Schedule DB - Part C - Section 2**
- NONE Schedule DB - Verification**

SCHEDULE E PART 2 - VERIFICATION

(Cash Equivalents)

| | 1 | 2 |
|-----------------------------------------------------------------------------------------------------|--------------|---------------------------------|
| | Year To Date | Prior Year Ended December 31 |
| 1. Book/adjusted carrying value, December 31 of prior year | 261,863,803 | 316,389,491 |
| 2. Cost of cash equivalents acquired | 83,289,326 | 14,475,955 |
| 3. Accrual of discount | | |
| 4. Unrealized valuation increase (decrease) | | |
| 5. Total gain (loss) on disposals | | |
| 6. Deduct consideration received on disposals | | 69,001,643 |
| 7. Deduct amortization of premium | | |
| 8. Total foreign exchange change in book/adjusted carrying value | | |
| 9. Deduct current year's other-than-temporary impairment recognized | | |
| 10. Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 + 5 - 6 - 7 + 8 - 9) | 345,153,129 | 261,863,803 |
| 11. Deduct total nonadmitted amounts | | |
| 12. Statement value at end of current period (Line 10 minus Line 11) | 345,153,129 | 261,863,803 |

- NONE Schedule A - Part 2 and 3**
- NONE Schedule B - Part 2 and 3**
- NONE Schedule BA - Part 2 and 3**
- NONE Schedule D - Part 3**
- NONE Schedule D - Part 4**
- NONE Schedule DB - Part A - Section 1**
- NONE Schedule DB - Part B - Section 1**
- NONE Schedule DB - Part D - Section 1**
- NONE Schedule DB - Part D - Section 2**
- NONE Schedule DB - Part E**
- NONE Schedule DL - Part 1**
- NONE Schedule DL - Part 2**

SCHEDULE E - PART 1 - CASH

Month End Depository Balances

| 1 Depository | 2 Code | 3 Rate of Interest | 4 Amount of Interest Received During Current Quarter | 5 Amount of Interest Accrued at Current Statement Date | Book Balance at End of Each Month During Current Quarter | | | 9 * |
|-----------------------------------------------------------------------------------------------------------------------------------------------|-----------|-----------------------|---------------------------------------------------------|-----------------------------------------------------------|----------------------------------------------------------|-------------------|------------------|--------|
| | | | | | 6 First Month | 7 Second Month | 8 Third Month | |
| Open Depositories | | | | | | | | |
| Bank of America, N.A. Austin, TX | | 3.290 | 541,742 | | 58,905,960 | 59,441,219 | 46,217,805 | |
| Citibank, N.A. Dallas, TX | | | | | 197,512 | 197,351 | 197,186 | |
| Citibank, N.A. - IMMA Dallas, TX | O | 1.750 | 73,799 | | 17,091,471 | 17,114,430 | 17,139,886 | |
| JP Morgan Chase Bank, N.A. San Antonio, TX | | | | | 7,956,476 | 10,503,613 | 24,640,201 | |
| JP Morgan Chase Bank, N.A. San Antonio, TX | | | | | 4,931,682 | | | |
| 0199998 Deposits in () depositories that do not exceed the allowable limit in any one depository (see Instructions) - Open Depositories | X X X | X X X | | | | | | X X X |
| 0199999 Total - Open Depositories | X X X | X X X | 615,541 | | 89,083,101 | 87,256,613 | 88,195,078 | X X X |
| Suspended Depositories | | | | | | | | |
| 0299998 Deposits in () depositories that do not exceed the allowable limit in any one depository (see Instructions) - Suspended Depositories | X X X | X X X | | | | | | X X X |
| 0299999 Total Suspended Depositories | X X X | X X X | | | | | | X X X |
| 0399999 Total Cash on Deposit | X X X | X X X | 615,541 | | 89,083,101 | 87,256,613 | 88,195,078 | X X X |
| 0499999 Cash in Company's Office | X X X | X X X | X X X | X X X | | | | X X X |
| | | | | | | | | |
| 0599999 Total | X X X | X X X | 615,541 | | 89,083,101 | 87,256,613 | 88,195,078 | X X X |

SCHEDULE E - PART 2 - CASH EQUIVALENTS

Show Investments Owned End of Current Quarter

| 1 CUSIP | 2 Description | 3 Code | 4 Date Acquired | 5 Rate of Interest | 6 Maturity Date | 7 Book/Adjusted Carrying Value | 8 Amount of Interest Due & Accrued | 9 Amount Received During Year |
|-------------|--------------------------------------------------------------------|-----------|--------------------|-----------------------|--------------------|-----------------------------------|---------------------------------------|----------------------------------|
| 4812C2-23-9 | JP Morgan US Treasury Plus Money Market Fund - Capital Shares 4110 | | 03/31/2023 | 4.643 | X X X | 131,072,562 | 631,019 | 1,688,659 |
| 61747C-52-5 | Morgan Stanley Inst Liquidity FDS Treas Secs | | 03/31/2023 | 4.385 | X X X | 45,739,083 | 172,725 | 182,660 |
| 261941-10-8 | Dreyfus Treasury Securities Instutional Shares | | 03/31/2023 | 4.439 | X X X | 80,196,512 | 303,057 | 196,512 |
| 38142B-50-0 | Goldman Sachs Fin'l SQ Treas - Inst Shares Fund 506 | | 03/31/2023 | 4.559 | X X X | 88,144,972 | 208,548 | 174,836 |
| 8209999999 | Exempt Money Market Mutual Funds – as Identified by SVO | | | | | 345,153,129 | 1,315,349 | 2,242,667 |
| 8609999999 | Total Cash Equivalents | | | | | 345,153,129 | 1,315,349 | 2,242,667 |

E14

NONE **Trusted Surplus Statement**

NONE **Medicare Part D**

Designate the type of health care providers reported on this page.



30040202345000010

**SUPPLEMENT "A" TO SCHEDULE T
EXHIBIT OF MEDICAL PROFESSIONAL LIABILITY PREMIUMS WRITTEN
ALLOCATED BY STATES AND TERRITORIES**

| States, Etc. | 1 Direct Premiums Written | 2 Direct Premiums Earned | Direct Losses Paid | | 5 Direct Losses Incurred | Direct Losses Unpaid | | 8 Direct Losses Incurred But Not Reported |
|------------------------------|------------------------------------|-----------------------------------|--------------------|-----------------------------|-----------------------------------|-------------------------|-----------------------------|----------------------------------------------------------|
| | | | 3 Amount | 4 Number of Claims | | 6 Amount Reported | 7 Number of Claims | |
| 1. Alabama | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2. Alaska | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 3. Arizona | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 4. Arkansas | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 5. California | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 6. Colorado | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 7. Connecticut | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 8. Delaware | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 9. District of Columbia | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 10. Florida | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 11. Georgia | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 12. Hawaii | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 13. Idaho | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 14. Illinois | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 15. Indiana | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 16. Iowa | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 17. Kansas | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 18. Kentucky | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 19. Louisiana | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 20. Maine | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 21. Maryland | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 22. Massachusetts | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 23. Michigan | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 24. Minnesota | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 25. Mississippi | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 26. Missouri | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 27. Montana | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 28. Nebraska | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 29. Nevada | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 30. New Hampshire | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 31. New Jersey | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 32. New Mexico | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 33. New York | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 34. North Carolina | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 35. North Dakota | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 36. Ohio | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 37. Oklahoma | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 38. Oregon | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 39. Pennsylvania | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 40. Rhode Island | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 41. South Carolina | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 42. South Dakota | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 43. Tennessee | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 44. Texas | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 45. Utah | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 46. Vermont | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 47. Virginia | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 48. Washington | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 49. West Virginia | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 50. Wisconsin | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 51. Wyoming | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 52. American Samoa | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 53. Guam | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 54. Puerto Rico | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 55. US Virgin Islands | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 56. Northern Mariana Islands | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 57. Canada | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 58. Aggregate Other Alien | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 59. Totals | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

NONE

| DETAILS OF WRITE-INS | | | | | | | | |
|-------------------------------------------------------------------------|---|---|---|---|---|---|---|---|
| 58001. | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 58002. | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 58003. | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 58998. Summary of remaining write-ins for Line 58 from overflow page | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 58999. Totals (Lines 58001 through 58003 plus 58998) (Line 58 above) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

NONE



30040202350500101

DIRECTOR AND OFFICER INSURANCE COVERAGE SUPPLEMENT

Year To Date For The Period Ended 2023

NAIC Group Code 4766

NAIC Company Code 30040

Company Name Texas Windstorm Insurance Association

If the reporting entity writes any director and officer (D&O) business, please provide the following:

1. Monoline Policies

| 1 Direct Written Premium | 2 Direct Earned Premium | 3 Direct Losses Incurred |
|-----------------------------------|----------------------------------|-----------------------------------|
| \$ | \$ | \$ |

2. Commercial Multiple Peril (CMP) Packaged Policies

2.1 Does the reporting entity provide D&O liability coverage as part of a CMP packaged policy? Yes [] No [X]

2.2 Can the direct premium earned for D&O liability coverage provided as part of a CMP packaged policy be quantified or estimated? Yes [] No [X]

2.3 If the answer to question 2.2 is yes, provide the quantified or estimated direct premium earned amount for D&O liability coverage in CMP packaged policies

2.31 Amount quantified: \$ _____

2.32 Amount estimated using reasonable assumptions: \$ _____

2.4 If the answer to question 2.1 is yes, provide direct losses incurred (losses paid plus change in case reserves) for the D&O liability coverage provided in CMP packaged policies. \$ _____