

CHRISS APFFEL
10006 AIRWAYS LN
GALVESTON, TX 77554-6389



Texas Windstorm Insurance Association

4801 Southwest Parkway
Building 1, Suite 200, Austin, TX 78735

PO Box 99090 Austin,
TX 78709-9090

www.twia.org
(800) 788-8247

TWRD0100006254



POLICY NUMBER	EFFECTIVE DATE/TIME	EXPIRATION DATE/TIME
TWRD0100006254	05/31/2023 12:01 a.m.	05/31/2024 12:01 a.m.
NAME INSURED AND ADDRESS		AGENCY NAME AND LOCATION
CHRISS APFFEL 10006 AIRWAYS LN GALVESTON TX 77554-6389		J K BROWN ENTERPRISES INC J K BROWN ENTERPRISES INC (12491) 3032 MARINA BAY DR STE 100 LEAGUE CITY TX 77573 (281) 334-2886

IMPORTANT

Early cancellation may result in approximately 25% of your premium being retained by Texas Windstorm Insurance Association.

This policy is subject to an immediate surcharge if determined necessary by the Texas Insurance Commissioner. Failure to pay the surcharge will result in cancellation of the policy.

LOCATION INFORMATION						
LOCATION ADDRESS	CONSTRUCTION TYPE	YEAR BUILT	OCCUPANCY	COUNTY	TERRITORY CODE	COASTAL ZONE
10006 Airway Ln Galveston TX 77554	Frame	1975	Primary Residence	Galveston	8	Seaward

COVERAGES - Windstorm and Hail Only

In consideration of the stipulations and conditions herein or added hereto which are made a part of this policy, and of the premiums provided, TWIA does insure the insured named above and legal representatives FROM the effective date shown above TO the expiration date shown above at 12:01 a.m. Standard Time at the location of property against direct loss resulting from the perils of Windstorm and Hail only which have a premium inserted opposite thereto and only on the property described and located as provided hereon.

COVERAGES SUMMARY

TOTAL PREMIUM AND SURCHARGES:		\$3,512
		<i>Minimum earned premium applies</i>
DWELLING AND PERSONAL PROPERTY	LIMITS	PREMIUMS
<u>Coverage A</u>		
Structure	\$608,000	\$6,622
Deductible 5%	\$30,400	-\$4,254
<u>Coverage B</u>		
Personal Property	\$100,000	\$387
Deductible 5%	\$5,000	-\$248
<u>Indirect Loss Coverage</u>	See Endorsements	\$623
Additional Living Expense		
Wind Driven Rain		
Consequential Loss		

POLICY FORMS AND ENDORSEMENTS

NUMBER	EDITION	NAME	LIMIT	PREMIUMS
TWDP	04/01/2020	TWIA Dwelling Policy	N/A	Included
TWIA-220	03/01/2012	Automatic Adjusted Building Cost Endorsement	N/A	Included
TWIA-311	04/30/2021	Extension of Coverage - Additional Living Expense	See Form	Included
TWIA-321	04/30/2021	Extension of Coverage - Wind Driven Rain	See Form	Included
TWIA-331	04/30/2021	Extension of Coverage - Consequential Loss	See Form	Included
TWIA-365	11/08/2019	Conversion to Replacement Cost Coverage B (Personal Property)	N/A	\$382
TWIA-802	11/08/2019	Replacement Cost Coverage A (Dwelling)	N/A	Included



Policy Change Notice

Date Processed:	05/26/2023	Agent Name:	J K Brown Enterprises Inc J K Brown Enterprises Inc (12491)
Change Effective Date:	05/31/2023	Agent Phone:	(281) 334-2886
Policy Number:	TWRD0100006254	Agent Address:	3032 Marina Bay Dr Ste 100 League City, TX 77573
Policyholder:	Chriss Apffel		
Property Location:	10006 Airway Ln Galveston, TX 77554 Galveston		

ADDED

REMOVED

CHANGED

	PREVIOUS	NEW
Dwelling - Actual Cash Value	385365	426003
Dwelling - Replacement Cost	550522	608577
Structure Coverage Limit	\$550,000	\$608,000

If you have any questions regarding these changes, please contact your agent or call TWIA at (800) 788-8247.



Making Repairs in the Event of a Loss

In the event of a loss, first and foremost, continue to ensure the safety of you and your family. If there is any major structural damage, call authorities before entering the building. After you have filed a claim, make temporary repairs to protect your property.

Temporary Repairs

After a loss, make temporary repairs as quickly as possible to prevent further damage.

- Before tearing out, removing, or covering over damaged property or debris, take pictures or videotape if possible. Keep any damaged property until the adjuster sees it and approves of disposal.
- Board broken windows, cover openings with a tarp or plastic to prevent additional water damage, and stop interior leaks. Dry out water damaged and wet areas immediately.
- Keep invoices and receipts for your temporary repairs. If your loss is covered by the policy, reasonable costs for temporary repairs are covered.
- Do not make permanent repairs, such as roof replacement or asphalt patches, until the adjuster has made an inspection. The adjuster needs to be able to see the damage and determine if it is from windstorm or hail.

Permanent Repairs

Whether or not you ultimately have a covered claim, you may need to make permanent structural repairs to your property. To be eligible for insurance through TWIA, many structural repairs must be certified by a Texas Department of Insurance (TDI) appointed qualified inspector or by a Texas licensed professional engineer.

Certificates of Compliance (WPI-8 or WPI-8-C) are issued to certify compliance with the applicable windstorm building code for the area. Without a Certificate of Compliance, TWIA lacks evidence that the structure conforms to the applicable building code, and the structure may be considered ineligible for coverage with TWIA. The WPI-8 certification inspections are done before and during the repair process, if completed by a TDI inspector.

For more information about eligibility requirements, visit www.twia.org/windstorm-certification-requirements. The TDI website provides a list of repairs that do not require inspection and certification. For more information or to contact someone with the TDI Windstorm Inspections Program, you can call 800-248-6032 or go to the TDI website at www.tdi.state.tx.us.

Texas Windstorm Insurance Association
P.O. Box 99090, Austin, Texas 78709-9090
800-788-8247 / Fax 512-899-4950



How to File a Claim

Please keep this informational sheet in an easily-accessible place or in your emergency contacts file.

Write down your policy number here: _____

Ways to File a Claim

- Call TWIA's 24-hour Claims Center at 800-788-8247
- Visit www.twia.org/ClaimsCenter to report a new claim or check the status of an existing claim from your computer or any mobile device
- Contact your agent

Information You Will Need to File Your Claim

- Your TWIA policy number
- The best contact information to reach you
- Brief details of what was damaged and how it happened

After You File a Claim

- Make temporary repairs to protect your property (see "Making Repairs in the Event of a Loss"). Save receipts. Do not make any permanent repairs until you discuss your claim with a TWIA representative.
- TWIA will send you a letter acknowledging your claim and provide the name of the TWIA representative assigned to help with your claim.
- The TWIA representative will call you to discuss your claim and may schedule an adjuster or other expert to inspect your damaged property.
- In instances where an adjuster or expert inspects the damaged property, they will report their findings and recommendations to TWIA.
- The final decision on your claim will be made by TWIA. You will receive a detailed letter explaining TWIA's decision on your claim.
- If you are due a payment for your loss, a check will be issued and sent to you.

Information to Provide Your TWIA Representative

- **Inventory:** If coverage is provided on your personal or business personal property, provide an inventory of these damaged items. Include a description and age of each item, its original cost, and the estimated replacement cost.
- **Documentation:** Any documentation of the damage you claim. This includes reports, estimates, invoices, receipts, photos, and videos.
- **Other Claims:** Information on any other water damage, structural damage, or previous repairs, whether due to plumbing leaks, flood, air-conditioning system leaks, foundation settlement, or other sources.
- **Additional Information Requested by TWIA:** Within 30 days after the date your claim is reported, TWIA may send a written request for additional information necessary to resolve your claim. Please promptly provide TWIA with the requested information.

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TWIA DWELLING POLICY WINDSTORM AND HAIL

THIS POLICY JACKET WITH THE COMMON DECLARATIONS PAGE, COVERAGE PARTS, AND ENDORSEMENTS, IF ANY, ISSUED TO FORM A PART THEREOF, COMPLETES THIS POLICY.

Flood Insurance: You may also need to consider the purchase of flood insurance. Your insurance policy does not include coverage for damage resulting from a flood even if hurricane winds and rain caused the flood to occur. Without separate flood insurance coverage, you may have uncovered losses caused by a flood. Please discuss the need to purchase separate flood insurance coverage with your insurance agent or insurance company, or visit www.floodsmart.gov.

Where you can get information or make a complaint

If you have a question or a problem with a claim or your premium, contact your insurance company first. You can also get information or file a complaint with the Texas Department of Insurance.

Texas Windstorm Insurance Association

To get information or file a complaint with your insurance company:

Call: TWIA at 1-800-788-8247

Toll-free: 1-800-788-8247

Email: Compliance@twia.org

Mail: Attn: Compliance Department
P.O. Box 99090
Austin, TX 78709-9090

The Texas Department of Insurance

To get help with an insurance question, learn about your rights, or file a complaint with the state:

Call: 1-800-252-3439

Online: www.tdi.texas.gov

Email: ConsumerProtection@tdi.texas.gov

Mail: MC 111-1A, P.O. Box 149091, Austin, TX 78714-9091

To compare policies and prices

Visit Helpinsure.com to compare prices and coverages on home and auto insurance policies. The website is a service of the Texas Department of Insurance and the Office of Public Insurance Counsel.

Donde puede obtener información o presentar una queja

Si tiene una pregunta o un problema con una reclamación o con su prima de seguro, comuníquese primero con su compañía de seguros. Usted también puede obtener información o presentar una queja ante el Departamento de Seguros de Texas (Texas Department of Insurance, por su nombre en inglés).

Texas Windstorm Insurance Association

Para obtener información o para presentar una queja ante su compañía de seguros:

Llame a: TWIA al 1-800-788-8247

Teléfono gratuito: 1-800-788-8247

Correo electrónico: Compliance@twia.org

Dirección postal: Attn: Compliance Department
P.O. Box 99090
Austin, TX 78709-9090

El Departamento de Seguros de Texas

Para obtener ayuda con una pregunta relacionada con los seguros, para conocer sus derechos o para presentar una queja ante el estado:

Llame: 1-800-252-3439

En línea: www.tdi.texas.gov

Correo electrónico: ConsumerProtection@tdi.texas.gov

Dirección postal: MC 111-1A, P.O. Box 149091, Austin, TX 78714-9091

Para comparar pólizas y precios

Visite Helpinsure.com para comparar precios y coberturas en pólizas de seguro para el hogar y automóvil. El sitio web es un servicio del Departamento de Seguros de Texas y de la Oficina del Asesor Público de Seguros (Office of Public Insurance Counsel, por su nombre en inglés).

INSURANCE WEBSITE NOTICE

To compare policies and prices

Visit **Helpinsure.com** to compare prices and coverages on home and auto insurance policies. The website is a service of the Texas Department of Insurance and the Office of Public Insurance Counsel.

AVISO DEL SITIO WEB DE SEGUROS

Para comparar pólizas y precios

Visite **Helpinsure.com** para comparar precios y coberturas en pólizas de seguro para el hogar y automóvil. El sitio web es un servicio del Departamento de Seguros de Texas y de la Oficina del Asesor Público de Seguros (Office of Public Insurance Counsel, por su nombre en inglés).

IMPORTANT NOTICE ABOUT SUPPLEMENTAL CLAIM PAYMENTS

If you think our estimate of your covered damage is not enough, you can ask for a supplemental (additional) claim payment.

The first deadline to request a supplemental claim payment is 60 days after the date you receive our letter that tells you how much we will pay. If your policy does not provide replacement cost coverage, this is your only chance to request a supplemental claim payment. The deadline may be extended in some situations by the Commissioner of Insurance and/or TWIA.

If your policy provides replacement cost coverage, you have more time to ask for a supplemental claim payment.

- Your deadline to complete your repairs and request your replacement cost payment is 545 days after you receive our Notice of Acceptance or Partial Acceptance letter that tells you how much we will pay.
- You can ask for a supplemental claim payment even if you have not started or completed your repairs.
- Within 30 days of receiving your replacement cost payment request, TWIA will either accept your request in full, accept your request in part, or reject your request.
- After you receive our letter that says how much we will pay for replacement cost, you have 30 days to tell us if you think the amount we have agreed to pay is not enough. You can then:
 - Ask for a supplemental replacement cost payment; or
 - Request appraisal of your replacement cost.
- If you ask for a supplemental replacement cost payment before the deadline, you can still go forward with appraisal of your replacement cost later if you think the amount we have agreed to pay is not enough.
- We cannot make the replacement cost payment until the repairs have been made.

You can only have one appraisal. If you have already been through appraisal before making your request for the replacement cost payment, you cannot have another appraisal.

If you are not sure about a deadline, please contact us as soon as possible. We can help you understand any deadlines that may apply to your claim.

To request a supplemental payment contact us at (800) 788-8247, at Claims Center at www.twia.org/claimscenter, or email claims@twia.org. Please include your claim number with your email.

If you can, tell us why our estimate of your covered damages was not enough. Please send detailed estimates, pictures, contracts with those doing repairs, or any other information you think might help.

- Why it helps: We can decide and issue any payments quickly when we know the repair costs.

Read more about supplemental claim payments and appraisal in Condition 11 of this policy on page 7.

IMPORTANT NOTICE REGARDING RESOLUTION OF DISPUTES

YOUR ACCESS TO JUDICIAL REVIEW OF OUR DECISIONS UNDER THIS POLICY IS LIMITED BY STATUTE. DISPUTES UNDER THIS POLICY MUST BE RESOLVED THROUGH DISPUTE RESOLUTION PROCEDURES STIPULATED IN THE POLICY CONDITIONS AND THE TEXAS WINDSTORM INSURANCE ASSOCIATION ACT, CHAPTER 2210, TEXAS INSURANCE CODE.

DISPUTES REGARDING ACCEPTED CLAIMS:

If we accept coverage for the claim in full or part, and you dispute the amount of loss, you must demand appraisal no later than the 60th day after the date you receive notice of our decision regarding your claim, or request a 30-day extension not later than the 75th day after you receive notice of our decision regarding your claim. Otherwise, you waive the right to contest our determination of the amount of loss that we will pay.

You have more time to demand appraisal of how much we will pay you for "replacement cost." You may demand appraisal of "replacement cost" without regard to whether all repairs related to the claim are complete. You must demand appraisal no later than the 30th day after the date you receive notice of our decision regarding your request for replacement cost payment.

An appraisal decision is binding on you and us as to the amount of loss we will pay for a fully accepted claim or the accepted portion of a partially accepted claim. You may file a lawsuit not later than two years after the date of the appraisal decision to vacate an appraisal decision and begin a new appraisal process. Otherwise, you may not bring a lawsuit against us with reference to a claim for which we have accepted coverage in full.

The processes, deadlines, and binding effect of appraisal are further described in policy Condition 11 and Condition 6 (if you have replacement cost coverage).

DISPUTES REGARDING DENIED CLAIMS:

If we deny coverage for the claim in full or part, and you dispute that determination, you must provide us with notice, not later than two years after the date on which you receive notice of our decision regarding your claim that you intend to bring a lawsuit concerning denial of the claim. Otherwise, you waive the right to contest our denial of the claim, and you are barred from bringing a lawsuit concerning denial of coverage.

We must request alternative dispute resolution (including mediation) not later than the 60th day after we receive your notice of intent to bring a lawsuit. Alternative dispute resolution must be completed not later than the 60th day after we request alternative dispute resolution, unless the period is extended by mutual agreement or by a rule of the commissioner of insurance. If alternative dispute resolution is not completed or you are not satisfied after alternative dispute resolution, you may bring a lawsuit in a district court not later than two years after the date on which you receive notice of our decision regarding your claim. The only issues you may raise in a lawsuit against us are (1) whether our denial of coverage was proper, and (2) the amount of damages permitted under the Texas Windstorm Insurance Association Act, Section 2210.576(b), Texas Insurance Code.

The requirements for notice of intent to bring a lawsuit, alternative dispute resolution, and filing a lawsuit against us are described in policy Condition 12.

OMBUDSMAN FOR POLICYHOLDERS:

The Texas Department of Insurance has established the Coastal Outreach and Assistance Services Team (COAST) Program to assist consumers with understanding the TWIA claim process. To obtain assistance from the COAST Program, please refer to the COAST Program website at www.tdi.texas.gov/Consumer/COAST; email ConsumerProtection@tdi.texas.gov; call toll-free 1-855-352-6278; or write to COAST Program – MC 111-1A, Texas Department of Insurance, P.O. Box 149104, Austin, TX 78714-9104.

IMPORTANT NOTICE REGARDING PAYMENT OF INSURANCE DEDUCTIBLES

Texas law requires a person insured under a property insurance policy to pay any deductible applicable to a claim made under the policy. It is a violation of Texas law for a seller of goods or services who reasonably expects to be paid wholly or partly from the proceeds of a property insurance claim to knowingly allow the insured person to fail to pay, or assist the insured person's failure to pay, the applicable insurance deductible.

This notice is for information only and does not become a part or condition of the insurance policy.

**TEXAS WINDSTORM INSURANCE ASSOCIATION
DWELLING POLICY - WINDSTORM AND HAIL**

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Texas Windstorm Insurance Association Dwelling Policy

Windstorm and Hail

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy, the words "we", "us", and "our" refer to the Texas Windstorm Insurance Association. "You" and "your" refer to the named insured shown in the Declarations.

AGREEMENT

We will provide the insurance described in this policy in return for the premium and compliance with all applicable provisions of this policy.

Premium Surcharge:

The Texas Insurance Commissioner has the authority to determine that a premium surcharge is necessary to pay public securities issued on behalf of TWIA policyholders and to require you to pay this surcharge. This policy will immediately be subject to any non-refundable premium surcharge determined by the Commissioner and implemented by us.

If a surcharge is implemented, we will notify you in writing and include in the notice the amount you must pay. Payment of the surcharge will then be due 120 days after you receive the notice from us. Failure to pay the surcharge by the deadline will result in cancellation of the policy.

DEFINITIONS

In this policy:

"Actual cash value" means the reasonable and necessary amount that you are likely to incur to repair or replace the damaged part of covered property, at the time of loss or damage, with material of like kind and quality and for the same use, subject to a deduction for deterioration and depreciation. "Actual cash value" applies to valuation of damage regardless of whether the property has sustained partial loss or total loss. The "actual cash value" of lost or damaged property may be significantly less than its replacement cost. We will not pay to repair or replace undamaged property due to mismatch of color, discontinued, outdated or obsolete material.

"Business" includes trade, profession or occupation.

"Cost to repair or replace" means the reasonable and necessary amount that you are likely to incur to repair or replace the damaged part of covered property, at the time of loss or damage, with material of like kind and quality and for the same use, without a deduction for deterioration and depreciation. We will not pay to repair or replace undamaged property due to mismatch of color, discontinued, outdated or obsolete material.

COVERAGES

COVERED PROPERTY

This insurance applies to the described location and coverages for which a limit of liability is shown in the Declarations.

COVERAGE A (Dwelling)

We cover:

1. The dwelling on the described location shown in the Declarations, used principally for dwelling purposes, including structures attached to the dwelling, unless listed in the PROPERTY NOT COVERED section of the policy.
2. Materials and supplies located on or next to the described location used to construct, alter or repair the dwelling or other structures on the described location. The total limit of liability for this item is 10% of the Coverage A (Dwelling) limit of liability. This is not additional insurance and does not increase the Coverage A (Dwelling) limit of liability.
3. If not otherwise covered in this policy, building equipment and outdoor equipment used for the service of and located on the described location.
4. Maintenance equipment and supplies, floor coverings, window shades, refrigerators and stoves that you own as a landlord, located on the described location.
5. Other structures on the described location, set apart from the dwelling by clear space. This includes structures connected to the dwelling by only a fence, utility line or similar connection.

The total limit of liability for other structures is 10%

of the Coverage A (Dwelling) limit of liability. This is not additional insurance and does not increase the Coverage A (Dwelling) limit of liability. We do not cover other structures used for business purposes.

6. Other structures specifically described in the Declarations. We do not cover other structures used for business purposes.

COVERAGE B (Personal Property)

We cover:

Personal property and business personal property owned or used by you or members of your family residing with you while it is on the described location. At your request, we will cover personal property owned by a guest or residence employee while the property is on the described location.

You may use up to 10% of the Coverage B (Personal Property) limit of liability for loss by windstorm or hail to personal property covered under Coverage B (Personal Property) while anywhere in the world. This coverage does not apply to business personal property or property of guests or residence employees. This is not additional insurance and does not increase the Coverage B (Personal Property) limit of liability.

At your request, you may use up to 10% of the Coverage B (Personal Property) limit of liability for loss by windstorm or hail to property of others while in your custody and located on the described location. This is not additional insurance and does not increase the Coverage B (Personal Property) limit of liability.

PROPERTY NOT COVERED

We do not cover:

1. Animals.
2. Money, currency or bullion.
3. Securities, deeds, or evidences of debt.
4. Records, books of records or manuscripts.
5. Motor or engine propelled vehicles or machines designed for movement on land, including attached machinery or equipment. However, we do cover such vehicles, while located in a fully enclosed building, which are not subject to motor vehicle registration and are:
 - a. Devices and equipment for assisting the handicapped.

- b. Power mowers and other lawn and garden equipment not exceeding 18 horsepower.
 - c. Golf carts.
 - d. Vehicles or machines used for recreational purposes while located on the described location.
6. Aircraft, meaning any device used or designed for flight except model or hobby aircraft not used or designed to carry people or cargo.
 7. Watercraft, including outboard motors and furnishings or equipment. However, we do cover watercraft, including outboard motors and furnishings or equipment, while located on land in a fully enclosed building on the described location.
 8. Unless specifically described in the Declarations:
 - a. Cloth awnings.
 - b. Greenhouses and their contents.
 - c. Metal screen enclosures and their contents.
 - d. Buildings or structures located wholly or partially over water and their contents.
 - e. Radio and television towers.
 - f. Outside satellite dishes, masts and antennas, including lead-in wiring.
 - g. Windmills and wind chargers.
 9. Wind turbines.
 10. Breakaway walls, or personal property contained within a breakaway wall enclosure. Breakaway wall means a wall that is not a part of the structural support of the building and is intended through its design and construction to collapse under specific lateral loading forces, without causing damage to the elevated portion of the building or supporting foundation systems.
 11. Property that is covered under another coverage form of this or any other policy in which it is more specifically described, except for the excess of the amount due from the other insurance.

EXTENSIONS OF COVERAGE

1. Debris Removal.

We will pay your expense for the removal from the described location of:

- a. Debris of covered property if windstorm or hail causes the loss.
- b. A tree that has damaged covered property if windstorm or hail causes the tree to fall.

This does not increase the limit of liability that applies to the damaged property.

When insurance under another policy applies to the damaged property, we will pay only a proportion of debris removal expense, determined by dividing the limit of liability that applies to the damaged property on this policy by the total limit of liability that applies to the damaged property under both policies, and applying the resulting percentage to the debris removal expense.

2. Reasonable Repairs.

If windstorm or hail causes the loss, we will pay the reasonable cost you incur for necessary repairs made solely to protect covered property from further damage. This coverage does not increase the limit of liability that applies to the property being repaired.

3. Improvements, Alterations and Additions.

- a. If you are a tenant of the described location, the Coverage B (Personal Property) limit of liability applies to a loss caused by windstorm or hail to improvements, alterations and additions, made or acquired at your expense, to that part of the described location used only by you.
- b. If you are a condominium owner at the described location, the Coverage B (Personal Property) limit of liability applies to a loss caused by windstorm or hail to alterations, fixtures, installations and additions which are part of the building and contained within the unfinished interior surfaces of the perimeter walls, floors

and ceilings of the condominium unit, and the exterior surfaces of balconies and terraces of the condominium unit. Coverage B (Personal Property) does not include property in or on the condominium unit which is defined in the condominium's declarations or by-laws as a common element.

This is not additional insurance and does not increase the Coverage B (Personal Property) limit of liability.

4. Property Removed.

We will pay for expense and damage incurred in the removal of covered property from the described location endangered by windstorm or hail. This coverage exists on a pro-rata basis for 30 days at each location to which such property is removed for preservation. This is not additional insurance and does not increase the Coverage B (Personal Property) limit of liability.

PERILS INSURED AGAINST

We cover direct physical loss to the covered property caused by windstorm or hail unless the loss is excluded in the Exclusions.

EXCLUSIONS

The following exclusions apply to loss to covered property:

1. Flood.

We do not cover under any and all circumstances loss or damage caused by or resulting from flood, surface water, waves, storm surge, tides, tidal water, tidal waves, tsunami, seiche, overflow of streams or other bodies of water, or spray from any of these, all whether driven by wind or not.

2. Governmental Action.

We do not cover loss caused by the destruction of property by order of governmental authority.

3. War.

We do not cover loss resulting directly or indirectly from war. This includes undeclared war, civil war, insurrection, rebellion, revolution, warlike act by military personnel, destruction or seizure or use for military purpose, and any consequence of these. Discharge of a nuclear weapon will be deemed a warlike act even if accidental.

4. Nuclear Hazard.

We do not cover loss resulting directly or indirectly from nuclear reaction, radiation or radioactive contamination, all whether controlled or uncontrolled or however caused.

5. Power Failure.

We do not cover loss resulting directly or indirectly from power failure, unless such failure results from direct physical damage to power, heating or cooling equipment located on the described location caused by windstorm or hail.

6. Rain.

We do not cover loss or damage caused by or resulting from rain, whether driven by wind or not, unless direct force of wind or hail makes an opening in a roof or wall and rain enters through this opening and causes the damage.

7. Electricity.

We do not cover loss to electrical devices or wiring caused by electricity resulting from artificial causes.

8. Ordinance or Law.

We do not cover loss or damage caused directly or indirectly by the enforcement of any ordinance or law:

- a. Regulating the construction or repair of any property; or
- b. Requiring the demolition of any property, including the cost of removing its debris.

9. Mold, Fungi, or Other Microorganisms.

We do not cover loss or damage caused by or resulting from fungi or mold and other microorganisms, except as provided in 9.b.

- a. "Fungi or mold and other microorganisms" when used in the policy or in this exclusion means the presence, growth, proliferation, spread or any activity of fungi or mold and other microorganisms.

This exclusion also applies to the cost:

- (1) To remove fungi or mold and other microorganisms from covered property

covered under this Texas Windstorm Insurance Association policy.

- (2) To tear out and replace any part of the building or other covered property as needed to gain access to the fungi or mold and other microorganisms; and

- (3) Of testing of air or property to confirm the absence, presence or level of fungi or mold and other microorganisms.

- b. This exclusion applies unless the fungi or mold and other microorganisms are located upon the portion of covered property which must be repaired or replaced because of sudden and accidental direct physical damage resulting from wind or hail which would otherwise be covered under this policy. For purposes of this exclusion, sudden and accidental shall include a loss event that is hidden or concealed for a period of time until it is detectable. A hidden loss must be reported to us no later than 30 days after the date it was detected or should have been detected.

- c. However, the exception to the exclusion described in "b." above does not include:

- (1) the cost to treat, contain, remove or dispose of the fungi or mold and other microorganisms beyond that which is required to repair or replace the covered property physically damaged by water;
- (2) the cost of any testing of air or property to confirm the absence, presence or level of fungi, mold and other microorganisms whether performed prior to, during or after the removal, repair, restoration or replacement;
- (3) the cost of any decontamination of the covered property covered under this Texas Windstorm Insurance Association policy;
- (4) any increase in loss under this Texas Windstorm Insurance Association policy related to loss of use, debris removal, additional living expense, or diminution in value resulting from c. (1), (2), and (3).

10. Asbestos.

We do not cover any loss or damage caused by or resulting from asbestos. We do cover direct physical loss caused by windstorm or hail to covered property containing asbestos materials; however, we do not cover the additional cost or expense to test for, monitor, clean up, remove, contain, treat, abate or assess the effects of asbestos or asbestos-containing materials.

DEDUCTIBLE

We will not pay for loss or damage to any item in any one occurrence until the amount of loss or damage exceeds the Deductible amount shown in the Declarations for that item. We will then pay the amount of loss or damage for that item in excess of the Deductible amount, up to the applicable limit of liability.

CONDITIONS

1. Policy Period. This policy applies only to loss which occurs during the policy period shown in the Declarations.
2. Insurable Interest and Limit of Liability. Even if more than one person has an insurable interest in the property covered, we will not be liable in any loss:
 - a. For an amount greater than the interest of a person insured under this policy; or
 - b. For more than the applicable limit of liability.
3. Fraudulent Misrepresentation.
 - a. This policy is void as to an insured, if the insured has fraudulently misrepresented in proof of loss or death a fact material to the question of our liability under the policy, and the insured's misrepresentation misled and caused us to waive or lose a valid defense to the policy.
 - b. This policy is void as to an insured, if the insured has fraudulently misrepresented in the application for the policy any fact material to the risk, and the insured's misrepresentation contributed to the contingency or event on which the policy became due and payable.
4. Duties After Loss.
 - a. Your Duties After Loss.
 - (1) In case of a loss to covered property caused by windstorm or hail, you must file a claim with us not later than one year after the date on which the damage to property that is the basis of the claim occurs. The commissioner of insurance, on a showing

of good cause by a person insured by us, may extend the one-year period to file a claim for a period not to exceed 180 days. You may also submit with your claim any bids, estimates, reports, photographs, invoices, bills, receipts, inventories, comments, documents, records and other information.

- (2) You must provide us with the information we request under Condition 4.b.(1).
 - (3) You must protect the property from further damage.
 - (4) You must make reasonable, necessary and temporary repairs to protect the property.
 - (5) You must keep an accurate record of repair expenses and proof of payment of any applicable Deductible.
 - (6) You must provide us access to the damaged property as often as we reasonably require.
- b. Our Duties After Loss.
- (1) Not later than the 30th day after the date the claim is filed, we may request in writing information that is necessary to determine whether to accept or reject the claim.
 - (2) Not later than the 60th day after the date we receive a claim or the 60th day after the date we receive information requested under Condition 4.b.(1), whichever is later, we shall provide you, in writing, notice of the amount of the loss we will pay, if any, and notice that:
 - (i) we have accepted coverage for the claim in full;
 - (ii) we have accepted coverage for the claim in part and have denied coverage for the claim in part; or
 - (iii) we have denied coverage for the claim in full.
 - (3) We must, on request, provide you reasonable access to all information relevant to the determination by us concerning the claim. You may copy the information at your own cost or may request that we provide a copy of all or part of the information to you. We may charge you the actual cost incurred by us in providing a copy of the information

requested, excluding any amount for labor involved in making any information or copy of information available to you.

5. Loss Payment.

- a. If we notify you under Condition 4.b.(2) that we will pay your claim, or part of your claim, we must make payment not later than the 10th day after we notify you.
- b. If payment of your claim or part of your claim requires the performance of an act by you, we must make payment not later than the 10th day after the date the act is performed.

6. Loss Settlement. Covered property losses are settled as follows:

- a. We will use any guidelines published by the commissioner of insurance under Insurance Code Sec. 2210.578(f) to evaluate and settle claims involving the extent to which a loss to insured property was incurred as a result of wind, waves, tidal surges, or rising waters not caused by waves or surges.

- b. Our liability and payment for covered losses will not exceed the smallest of the following:

- (1) The "actual cash value" of the damaged property;
- (2) The "cost to repair or replace" the damaged property; or
- (3) The specified limit of liability of the policy.

7. Residential Community Property. This policy, subject to all other terms and conditions, when covering residential community property, as defined by state law, shall remain in full force and effect as to the interest of each spouse covered, irrespective of divorce or change of ownership between the spouses until the expiration of the policy or until canceled in accordance with the terms and conditions of this policy.

8. Mortgage Clause (Without Contribution).

- a. The word "mortgagee" includes trustee.

- b. We will pay for any covered loss of or damage to buildings or structures to the mortgagee shown in the Declarations as interests appear.

- c. The mortgagee has the right to receive loss payment even if the mortgagee has started foreclosure or similar action on the building or structure.

- d. If we deny your claim because of your acts or because you have failed to comply with the terms of this policy, the mortgagee has the right to receive loss payment if the mortgagee:

- (1) At our request, pays any premiums due under this policy, if you have failed to do so.

- (2) Submits to us any information we requested from you under Condition 4.b.(1) promptly after receiving notice from us of your failure to do so.

- (3) Has notified us of any change in ownership, occupancy or substantial change in risk known to the mortgagee.

All of the terms of this policy will then apply directly to the mortgagee. Failure of the mortgagee to comply with d.(1), d.(2) or d.(3) above shall void this policy as to the interest of the mortgagee.

- e. If we pay the mortgagee for any loss or damage and deny payment to you because of your acts or because you have failed to comply with the terms of this policy:

- (1) The mortgagee's rights under the mortgage will be transferred to us to the extent of the amount we pay.

- (2) The mortgagee's right to recover the full amount of the mortgagee's claim will not be impaired.

At our option, we may pay to the mortgagee the whole principal on the mortgage plus any accrued interest. In this event, your mortgage and note will be transferred to us and you will pay your remaining mortgage debt to us.

- f. If this policy is canceled, we will give the mortgagee specifically named in the Declarations written notice of cancellation.

If we cancel the policy, we will give the mortgagee the same number of days' notice of cancellation we give you.

If you cancel the policy, we will give the mortgagee notice of cancellation to be effective on the date stated in the notice. The effective date of cancellation cannot be before the 10th day after we mail notice.

We will not give notice of cancellation to any successor or assignee of the mortgagee named in this policy.

- g. If the property described under Coverage A (Dwelling) is foreclosed upon under the deed of trust, the mortgagee may cancel this policy of insurance and will be entitled to any unearned premiums from this policy.

The mortgagee must credit any unearned premium against any deficiency owed by the borrower and return any unearned premium not so credited to the borrower.

9. Other Insurance.

- a. If property covered by this policy is also covered by other insurance, we will pay only the proportion of a loss caused by windstorm or hail under this policy that the limit of liability applying under this policy bears to the total amount of insurance covering the property.
- b. If glass or an item of personal property is insured specifically under any other policy, then this policy applies as excess insurance over the specific insurance.
- c. If a loss covered by this policy is also covered by other insurance in the name of a condominium association, the insurance provided in this policy will be excess over the amount collectible under the other insurance.

10. Limited Judicial Remedies.

Your access to judicial review of our decisions under this policy is limited by statute.

- a. You may not bring a private lawsuit against us, our agent or representative under Chapters 541 (concerning unfair methods of competition and

unfair or deceptive acts or practices) or 542 (concerning processing and settlement of claims), Texas Insurance Code. Subchapter L-1, Chapter 2210, Texas Insurance Code provides the exclusive remedies for claims against us, our agent or our representative.

- b. You may not bring a class action suit against us.
- c. We and our agents or representatives may not be held liable for damages under Chapter 17, Texas Business and Commerce Code (concerning deceptive trade practices), or under any provisions of any law providing for additional damages, punitive damages, or a penalty, except as otherwise specified by the Texas Windstorm Insurance Association Act, Chapter 2210, Texas Insurance Code.
- d. You may not bring a lawsuit against us with reference to a claim for which we have accepted coverage in full, except as provided by Condition 11.
- e. You may not bring a lawsuit against us with reference to the amount of loss we will pay for a claim in full or in part, except as provided by Condition 11.
- f. You may not bring a lawsuit against us with reference to a claim for which we have denied coverage in full or in part, except as provided by Condition 12.

11. Disputes About the Amount of Your Covered Loss.

- a. If you disagree with the amount paid on your claim for your covered loss:
 - (1) You may request supplemental (additional) payments on covered or accepted items. Your deadline to ask for a supplemental (additional) payment is the same as your deadline for appraisal.
 - (2) If we are unable to agree on a supplemental (additional) payment, you may demand appraisal.
 - (3) Appraisal is your exclusive remedy or only way to resolve a disagreement about the amount we will pay for your covered damages.

- b. If you choose to demand appraisal, you must do

- so no later than the 60th day after the date you receive notice from us that we accept coverage for a claim in full or in part as provided by Condition 4.b.(2).
- c. You may request in writing that the 60-day period to demand appraisal be extended:
- (1) not later than the 75th day after the date you receive written notice from us that we accept coverage for a claim in full or in part; and
 - (2) we may grant an additional 30-day period in which you may demand appraisal, on a showing of good cause
- d. You may request from us a detailed summary of the manner in which we determined the amount of the loss we will pay.
- e. If you do not demand appraisal before the 61st day after we notify you that we accept coverage for a claim in full or in part, or before the 31st day after we grant an extension for good cause, you waive your right to contest our determination of the amount of loss we will pay for that claim.
- f. Appraisal Process.
- (1) If you demand appraisal of the amount we will pay for a claim, you and we will each select a competent and independent appraiser. You shall notify us of your appraiser's identity. We shall notify you of our appraiser's identity within 10 days after we receive notice of your appraiser's identity. The two appraisers will choose a competent and independent umpire. If they cannot agree upon an umpire within 15 days, the commissioner of insurance shall select an umpire from a roster of qualified umpires maintained by the Texas Department of Insurance.
 - (2) The two appraisers will then determine the amount of loss, stating separately for the portion of the claim for which we have accepted coverage in full or in part:
 - (i) The "actual cash value" of the damaged property; and
 - (ii) The "cost to repair or replace" the damaged property.
- (3) If you or we request that they do so, the appraisers will also determine the amount of loss for any extensions of coverage for which we have accepted coverage in full or in part.
 - (4) If the appraisers fail to agree, they will submit their differences to the umpire. An itemized decision agreed to by any two of these three and filed with us will determine the amount of the loss.
 - (5) You and we are responsible in equal shares for paying the costs incurred or charged in connection with the appraisal, including expenses of the appraisers and umpire. If we pay more than our share of the costs of appraisal, our liability and payment for covered losses shall be reduced by the amount we pay in excess of our share.
- g. The appraisal decision is binding upon you and us and is not otherwise reviewable or appealable, unless:
- (1) the appraisal decision was obtained by corruption, fraud, or other undue means;
 - (2) your or our rights were prejudiced by:
 - (i) evident partiality by an appraisal umpire;
 - (ii) corruption by an appraiser or umpire; or
 - (iii) misconduct or willful misbehavior of an appraiser or umpire; or
 - (3) an appraiser or umpire:
 - (i) exceeded the appraiser's or umpire's powers;
 - (ii) refused to postpone the appraisal after a showing of sufficient cause for the postponement;
 - (iii) refused to consider evidence material to the claim; or
 - (iv) conducted the appraisal in a manner that substantially prejudiced your or our rights.

- h. If you or we believe the appraisal decision is appealable as a result of any reason listed in Condition 11.g., you or we may file a lawsuit to vacate the appraisal decision in a district court in the county in which the loss that is the subject of the appraisal occurred. A lawsuit under this paragraph must be filed not later than two years after the date of an appraisal decision. If the court vacates the appraisal decision, you and we must begin the appraisal process again.

12. Disputes Concerning Denied Coverage -Exclusive Remedy.

- a. If you dispute our decision to deny coverage for a claim in full or in part, prior to bringing a lawsuit against us, you must provide notice to us of your intent to bring a lawsuit. You may use a form supplied by us.
- b. If you do not provide notice of intent to bring a lawsuit against us within two years after the date you receive notice from us that we denied a claim in full or in part as provided by Condition 4.b.(2), you waive your right to contest our partial or full denial of coverage and you are barred from bringing a lawsuit against us concerning the denial of that claim.
- c. As a prerequisite for filing a lawsuit against us, we may require you to submit the dispute to alternative dispute resolution by mediation or moderated settlement conference, as provided by Chapter 154, Texas Civil Practice and Remedies Code. If we require an alternative dispute resolution:
 - (1) we must request the alternative dispute resolution in writing not later than the 60th day after the date we receive your notice of intent to bring a lawsuit against us; and
 - (2) except as provided by Condition 12.c.(3), the alternative dispute resolution must be completed not later than the 60th day after the date we request the alternative dispute resolution in writing.
 - (3) The 60-day period for completion of the alternative dispute resolution can be extended by:

- (i) your and our mutual consent; or
- (ii) rule adopted by the commissioner of insurance.

d. Mediation.

- (1) If we request alternative dispute resolution by mediation and you and we are unable to agree on a mediator, the commissioner of insurance shall select a mediator from a roster of qualified mediators maintained by the Texas Department of Insurance.
- (2) If we request alternative dispute resolution by mediation, you and we will be equally responsible for the expenses of mediation.

e. Lawsuit Against Us.

- (1) You may bring a lawsuit against us concerning the denial of a claim only if you have notified us of your intent to bring a lawsuit as required by Condition 12.a.
- (2) As provided by Condition 12.c., we have 60 days from the receipt of your notice of intent to bring a lawsuit against us to request that you submit your dispute with us to alternative dispute resolution. You may not bring a lawsuit against us prior to the expiration of that 60-day period, unless we waive our right to request alternative dispute resolution of that claim dispute in writing.
- (3) If we request alternative dispute resolution as provided by 12.c., you may bring a lawsuit against us if:
 - (i) the alternative dispute resolution was not completed within 60 days from the date we made the request, and no extension was granted under Condition 12.c.(3);
 - (ii) the alternative dispute resolution was not completed prior to the expiration of an authorized extension of the 60-day period, as provided by Condition 12.c.; or
 - (iii) you are not satisfied after completion of the alternative dispute resolution.

- (4) You must bring any lawsuit against us concerning the denial of a claim not later than two years after the date on which you receive written notification from us that we have denied a claim in full or in part as provided by Condition 4.b.(2).
- (5) You must bring any lawsuit against us concerning the denial of a claim in a district court in the county in which the loss that is the subject of the coverage denial occurred.
- (6) If you bring a lawsuit against us concerning the denial of a claim prior to providing notice as required under Condition 12.a., the court shall abate the lawsuit until you provide the notice to us and, if requested by us, the dispute has been submitted to alternative dispute resolution.
- (7) Limitation on Scope of Lawsuit. You may only bring a lawsuit against us concerning the denial of a claim to determine:
- (i) whether our denial of coverage was proper; and
 - (ii) the amount of damage to which you are entitled to recover, if any.
- (8) Limitation on Damages Concerning Denied Coverage.
- (i) You may recover only:
 - (a) the covered loss payable under the terms of this policy, less any amount already paid by us for any portion of a covered loss;
 - (b) prejudgment interest, at the rate provided in Subchapter B, Chapter 304, Texas Finance Code, from the first day after the date specified by Condition 5., by which we were or would have been required to pay an accepted claim in full or in part; and
 - (c) court costs and reasonable and necessary attorney's fees.
 - (ii) Nothing in the Texas Windstorm Insurance Association Act, Chapter 2210, Texas Insurance Code, including
 - (A) failing to meet the deadlines or timelines established in the Texas Windstorm Insurance Association Act under Subchapter L-1, Chapter 2210, Texas Insurance Code, without good cause, including the applicable deadline established for payment of an accepted claim or the accepted portion of a claim;
 - (B) disregarding applicable guidelines published by the commissioner of insurance under Section 2210.578(f), Texas Insurance Code;
 - (C) failing to provide written notice that we have accepted or rejected a claim as provided for under Condition 4.b.(2);
 - (D) rejecting a claim without conducting a reasonable investigation with respect to the claim; or
 - (E) denying coverage for a claim in full or in part, if our liability has become reasonably clear as a result of our investigation with respect to the portion of the claim that was denied.
- the limitation on damages described by Condition 12.e.(8)(i), may be construed to limit the consequential damages, or amount of consequential damages, that you may recover under common law in a lawsuit against us.
- (iii) You may recover damages in an amount not to exceed two times the damages associated with a covered loss payable under the terms of the policy and any consequential damages recoverable under common law, if you show by clear and convincing evidence that we mishandled your claim to your detriment by intentionally:
- For purposes of Condition 12.e.(8)(iii), "intentionally" means actual awareness of the facts surrounding the act or practice listed under Condition 12.e.(8)(iii), coupled with the specific

intent that you suffer harm or damages as a result of the act or practice. Specific intent may be inferred from objective manifestations that we acted intentionally or from facts that show that we acted with flagrant disregard of the duty to avoid the acts or practices listed under Condition 12.e.(8)(iii).

13. Commissioner Extension of Deadlines. The commissioner of insurance, on a showing of good cause, may by rule extend any deadline established under policy Condition 4, 5, 6, 11 and 12, including endorsements, and set the number of days by which the deadline is extended.
14. Appeals Other Than Claims Disputes. A person insured under this policy, or their representative, who is aggrieved by an act, ruling or decision by us, may appeal to the commissioner of insurance not later than the 30th day after the date of that act, ruling or decision. This policy condition does not apply to a person who is required to resolve a dispute under Conditions 11 or 12 or a binding arbitration endorsement to this policy.
15. Subrogation (Transfer of Rights of Recovery Against Others to Us). If any person or organization to or for whom we make payment under this policy has rights to recover damages from another, those rights are transferred to us to the extent of our payment. That person or organization must do everything necessary to secure our rights and must do nothing after loss to impair them. But you may waive your rights against another party in writing, prior to a loss to your covered property.
16. Abandonment of Property. There can be no abandonment of property to us.
17. Liberalization. If the commissioner of insurance adopts a revision which would broaden or extend the coverage under this policy without additional premium within 45 days prior to or during the policy period, the broadened or extended coverage will immediately apply to this policy.
18. Waiver or Change of Policy Provisions. This policy contains all the agreements between you and us concerning the insurance afforded. You are authorized to make changes in the terms of this policy with our consent; however, this policy's terms can be amended or waived only by endorsement issued by us and made a part of this policy. Your agent is not our authorized representative.
19. Cancellation.
 - a. You may cancel this policy at any time by notifying us in writing of the date cancellation is to take effect. We will send you any refund due when the policy is returned to us. The refund will be pro rata, subject to a policy minimum retained premium in an amount equal to 90 days or \$100 whichever is applicable. Payment of the minimum retained premium shall not create or extend coverage beyond the cancellation date that you requested. The minimum retained premium is fully earned on the effective date of the policy and you shall owe to us any unpaid balance of the minimum retained premium.
 - b. We may cancel this policy by mailing or delivering to you notice in writing of the date cancellation takes effect. The effective date of cancellation cannot be before the 14th day after we mail or deliver the notice. Our notice of cancellation will state the reason for cancellation and will state that if the refund is not included with the notice, it will be returned on demand. The refund will be pro rata.
20. Assignment. Assignment of your rights and duties under this policy will not be valid unless we give our consent.
21. Death. If you die, we insure:
 - a. Your spouse, if a resident of the same household at the time of death; or
 - b. The legal representative of the decedent's estate only with respect to the described location.Coverage will be provided until the end of the policy period in which you die.

Texas Windstorm Insurance Association
Windstorm and Hail

Automatic Adjusted Building Cost Endorsement

It is agreed that the limit of liability on the attached policy for **Coverage A, Dwelling** shall be revised annually by a percentage established by a building cost index, applied to your policy at renewal. The revised limit of liability will be rounded up to the next \$1000, subject to the maximum limit of liability permitted by law. You have the right to request modification of this change in the limit of liability.

If your limit of liability change at renewal differs from the revised limit resulting from application of this endorsement, your request will take effect at the inception of the renewal, provided that it is received prior to the beginning of the policy renewal date. Requests for a limit of liability change received after inception of the policy will be processed as an endorsement to the policy, and will not become effective prior to the date received by TWIA.

The limits of liability for Additional Living Expense and other, optional extensions of coverage that are based on the limit of liability for the Dwelling, if applicable, will also be adjusted subject to the maximum limit of liability permitted by law.

It is your responsibility to review your coverage regularly and make sure your dwelling limit of liability is adequate to repair or replace your insured property. This endorsement and any changes that result from it do not guarantee that you will have adequate coverage. Only you can determine the appropriate amount of coverage.

Except as specifically modified in this endorsement, all provisions of the policy to which this endorsement is attached also apply to this endorsement.

Prescribed by the Texas Department of Insurance
Form No. TWIA - 220 - Automatic Adjusted Building Cost Endorsement
Effective: March 1, 2012



Important Notice About the Automatic Adjusted Building Cost Endorsement and Your Dwelling Limit of Liability

This notice provides you with an explanation of the Automatic Adjusted Building Cost Endorsement (TWIA-220) that is attached to your policy. The endorsement automatically adjusts your dwelling limit of liability if your policy is renewed. This adjustment is a standard insurance industry practice.

This notice **is not** part of your policy. This notice is also not the endorsement. To understand your rights and duties under the policy, please refer to and read your policy, including all endorsements.

What the Endorsement Does: If you renew your policy, the coverage amount (limit of liability) for your dwelling will be automatically adjusted by a percentage. This percentage varies by location and is tied to a building cost index. Your policy's adjusted limit of liability will be rounded up to the next \$1000. The limit is subject to the maximum limit of liability permitted by law.

The adjustment is designed to help ensure the limit of liability amount keeps pace with increases to local building costs. It does not ensure that your dwelling is adequately insured for the dwelling's full replacement cost.

The limits of liability of any additional coverages you have selected that are based on the limit of liability for the dwelling, will also be adjusted, subject to the maximum limit of liability permitted by law.

Your Rights: You have the right to request a modification to your dwelling limit of liability. To request a modification, please contact your agent. Lowering the limit of liability may affect eligibility for replacement cost coverage.

If you request a modification to your dwelling limit of liability, your request will take effect on the date a renewal policy becomes effective. Requests for a modification of the adjusted dwelling limit of liability that are received by TWIA on or after the effective date of a renewal policy will become effective the date the request is received by TWIA.

Review Your Coverage: Please review your coverage regularly with your agent and make sure your dwelling limit of liability is adequate to repair or replace your insured property. Only you can determine the appropriate amount of coverage and the endorsement will not guarantee that you have adequate coverage.

TEXAS WINDSTORM INSURANCE ASSOCIATION
Windstorm and Hail

Endorsement No. (TWIA) 311

Extension of Coverage – Additional Living Expense

In consideration an included additional premium, this policy is extended to provide the following coverage:

A. Additional Living Expense. Applicable only to Primary Residences – Dwellings

If a covered loss to your Primary Residence caused by windstorm or hail makes your Primary Residence wholly or partially untenantable, we cover additional living expense. Additional living expense is any necessary and reasonable increase in living expense you incur so that your household in your Primary Residence can maintain its normal standard of living.

We do not cover additional living expense that you incur as a result of evacuation or displacement from the described location due to voluntary or mandatory evacuation, order of civil authority restricting ingress, egress or access, loss or disconnection of utilities, damage or closure of roads, ferries, bridges or infrastructures, or loss that is excluded in the Exclusions of this policy, except to the extent such expenses were incurred because covered damage to your Primary Residence caused by windstorm or hail made your Primary Residence wholly or partially untenantable.

The total limit of liability for all additional living expense is 20% of the limit of liability applicable to Coverage A (Dwelling). If your policy was issued for tenant personal property of a dwelling and does not include a limit of liability applicable to the dwelling, the total limit of liability for all additional living expense is 20% of the limit of liability applicable to Coverage B (Personal Property). This is additional insurance and does not reduce the limit of liability applicable to Coverage A (Dwelling), but the total limit of liability for the Coverage A (Dwelling) limit and the additional living expense limit cannot exceed the maximum limit of liability permitted by law. The deductible does not apply to additional living expense coverage.

Payment will be for the reasonable time required to repair or replace the damage caused by windstorm or hail to your Primary Residence. If you permanently relocate, payment will be for the reasonable time required for your household to become settled. The periods of time for additional living expense are not limited by expiration of this policy.

Primary Residence means a dwelling where you normally live as your principal residence as of the date of loss and during the majority of the policy period, and that is stipulated as your “Primary Dwelling” on the Declarations of this policy.

The coverage provided by this Extension of Coverage is subject to all other terms, conditions, exclusions, and definitions of the policy to which this endorsement is attached.

TEXAS WINDSTORM INSURANCE ASSOCIATION
Windstorm and Hail

Endorsement No. (TWIA) 321

Extension of Coverage – Wind-Driven Rain

In consideration of an included additional premium, this policy is extended to provide coverage for the following:

A. **Wind-Driven Rain.** Applicable to Primary or Secondary Residences – Dwellings

We cover loss to the dwelling and personal property caused by wind-driven rain whether or not an opening is made in the dwelling by the direct force of wind or hail.

The coverage provided by this Extension of Coverage is subject to all other terms, conditions, exclusions, and definitions of the policy to which this endorsement is attached.

TEXAS WINDSTORM INSURANCE ASSOCIATION
Windstorm and Hail

Endorsement No. (TWIA) 331

Extension of Coverage – Consequential Loss

In consideration of an included additional premium, this policy is extended to provide the following coverage:

A. **Consequential Loss.** Applicable to Primary or Secondary Residences – Dwellings

We cover personal property as follows:

1. Property contained in the dwelling or other structure on the described location against loss due to change in temperature as a direct result of physical damage to the dwelling, or any equipment contained in the dwelling, caused by windstorm or hail. The deductible does not apply to this coverage.
2. To the extent not covered by A.1 above, personal property against loss due to utility failure if the failure is a result of physical damage caused by windstorm or hail to power, heating or cooling equipment situated on the premises where the covered property is located.
3. To the extent not covered by A.1 or A.2 above, property contained in the dwelling or other structure on the described location against loss due to changes in temperature as a direct result of physical damage to any power, heating or cooling equipment (including connections and supply pipes) not contained in or on the dwelling, caused by windstorm or hail.

The total limit of liability for the coverage described in A.3. above is \$500.

This is not additional insurance and does not increase the limit of liability for Coverage B (Personal Property).

The coverage provided by this Extension of Coverage is subject to all other terms, conditions, exclusions, and definitions of the policy to which this endorsement is attached.

TEXAS WINDSTORM INSURANCE ASSOCIATION
Windstorm and Hail

Endorsement No. (TWIA) 365 – Replacement Cost Coverage B (Personal Property)

This endorsement applies only to those Items of Coverage for which this Endorsement No. (TWIA) 365 is scheduled on the Declarations page.

This endorsement will not apply unless you have, at the inception date of this policy, replacement cost coverage in effect on the same property and in the same amount or more, under a companion dwelling, homeowners, farm and ranch owners, condominium owners, or tenant policy to which a windstorm and hail exclusion agreement endorsement is also attached.

In consideration of an included additional premium, the following sections of your TWIA DWELLING POLICY are changed by this endorsement.

Your Duties After Loss Condition 4.a.(5) is replaced by the following:

4. Duties After Loss.

a. Your Duties After Loss.

- (5) You must keep an accurate record of repair expenses and proof of payment of any applicable Deductible. Upon completion of repairs or replacement, you may submit reasonable proof of repair expenses and payment of any applicable Deductible, including invoices, bills, statements, receipts, canceled checks, money order receipts, credit card statements, and a copy of an executed installment plan contract or other financing arrangement that requires full payment of the Deductible over time.

Our Duties After Loss Settlement Condition 4.b.(2). is replaced by the following:

4. Duties After Loss.

b. Our Duties After Loss.

- (2) Not later than the 60th day after the date we receive a claim or the 60th day after the date we receive information requested under Condition 4.b.(1), whichever is later, we shall provide you, in writing, notice of the amount of the loss we will pay, if any, and notice that:
- (i) we have accepted coverage for the claim in full;
 - (ii) we have accepted coverage for the claim in part and have denied coverage for the claim in part; or
 - (iii) we have denied coverage for the claim in full.

If we accept coverage for your claim under Coverage B (Personal Property) in full or part, our notification under this subsection will notify you of the deadlines for completion and documentation of repairs and for demanding appraisal of the “replacement cost” under Condition 6.d.

The following section d. is added to Loss Settlement Condition 6.:

6. Loss Settlement.

d. Our liability and payment for covered losses to personal property under Coverage B (Personal Property) is modified as follows:

- (1) We will pay the smallest of the following:
- (a) The “replacement cost”, meaning the amount actually and necessarily spent to repair or replace the damaged personal property; or
 - (b) The specified limit of liability of the policy.

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- (2) We will pay no more than the “actual cash value” until repair or replacement is completed and documentation of “replacement cost” and payment of any applicable Deductible is submitted to us under Condition 4.a.(5).
- (3) You may request payment of “replacement cost” by submitting documentation to us of the completion of repairs or replacement, the “replacement cost”, and payment of the Deductible not later than the 545th day after the date we notify you of the amount we will pay under Condition 4.b.(2).
- (4) Not later than the 30th day after the date that we receive documentation from you under Condition 6.d.(3), we will provide you, in writing, notice of:
 - (a) the amount we will pay under Condition 6.d.(1); and
 - (b) the deadline to request appraisal of the “replacement cost” under Condition 6.d.(6).
- (5) If we notify you under Condition 6.d.(4) that we will pay your claim, or part of your claim, we must make payment not later than the 10th day after we notify you.
- (6) If you have not completed appraisal under Condition 11. of the amount we will pay under Condition 4.b.(2) and you dispute the amount we will pay for “replacement cost”, you may demand appraisal of the “replacement cost” not later than the 30th day after the date you receive notice from us under Condition 6.d.(4). You may demand appraisal of “replacement cost” under this subsection without regard to whether all repairs related to the claim are complete. If you demand appraisal of “replacement cost” under this subsection, the appraisal will be conducted as follows:
 - (a) You and we will each select a competent and independent appraiser. You shall notify us of your appraiser’s identity. We shall notify you of our appraiser’s identity within 10 days after we receive notice of your appraiser’s identity. The two appraisers will choose a competent and independent umpire. If they cannot agree upon an umpire within 15 days, the commissioner of insurance shall select an umpire from a roster of qualified umpires maintained by the Texas Department of Insurance.
 - (b) The two appraisers will then determine the “replacement cost.” If the appraisers fail to agree, they will submit their differences to the umpire. An itemized decision agreed to by any two of these three and filed with us will determine the “replacement cost”.
 - (c) You and we are responsible in equal shares for paying the costs incurred or charged in connection with the appraisal, including expenses of the appraisers and umpire. If we pay more than our share of the costs of appraisal, our liability and payment for covered losses shall be reduced by the amount we pay in excess of our share.
 - (d) The appraisal decision is binding upon you and us and is not otherwise reviewable or appealable except as provided by Condition 11.g. and 11.h.

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The following is added to the DEDUCTIBLE clause:

We may refuse to pay Replacement Cost Coverage under this endorsement until we receive reasonable proof of payment by you of any Deductible applicable to the claim. Reasonable proof of payment includes a canceled check, money order receipt, credit card statement, and a copy of an executed installment plan contract or other financing arrangement that requires full payment of the deductible over time.

All other terms and conditions of the policy apply.

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Endorsement No. (TWIA) 802 – Replacement Cost Coverage A (Dwelling)

This endorsement applies only to those Items of Coverage for which this Endorsement No. (TWIA) 802 is scheduled on the Declarations Page.

Your Duties After Loss Condition 4.a.(5) is replaced by the following:

4. Duties After Loss.

a. Your Duties After Loss.

- (5) You must keep an accurate record of repair expenses and proof of payment of any applicable Deductible. Upon Completion of repairs or replacement, you may submit reasonable proof of repair expenses and payment of any applicable Deductible, including invoices, bills, statements, receipts, canceled checks, money order receipts, credit card statements, and a copy of an executed installment plan contract or other financing arrangement that requires full payment of the Deductible over time.

Our Duties After Loss Settlement Condition 4.b.(2). is replaced by the following:

4. Duties After Loss.

b. Our Duties After Loss.

- (2) Not later than the 60th day after the date we receive a claim or the 60th day after the date we receive information requested under Condition 4.b.(1), whichever is later, we shall provide you, in writing, notice of the amount of the loss we will pay, if any, and notice that:
- (i) we have accepted coverage for the claim in full;
 - (ii) we have accepted coverage for the claim in part and have denied coverage for the claim in part;
- or
- (iii) we have denied coverage for the claim in full.

If we accept coverage for your claim under Coverage A (Dwelling) in full or part, our notification under this subsection will notify you of the deadlines for completion and documentation of repairs and for demanding appraisal of the “replacement cost” under Condition 6.c.

The following section c. is added to Loss Settlement Condition 6.:

6. Loss Settlement.

c. Our liability and payment for covered losses to dwelling and other building(s) under Coverage A (Dwelling), excluding outdoor antennas, fences, and structures other than buildings, is modified as follows:

- (1) We will pay the smallest of the following:
 - (a) The “replacement cost”, meaning the amount actually and necessarily spent to repair or replace the damaged dwelling and other building(s); or
 - (b) The specified limit of liability of the policy.

- (2) We will pay no more than the “actual cash value” until repair or replacement is completed and documentation of “replacement cost” and payment of any applicable Deductible is submitted to us under Condition 4.a.(5).

- (3) You may request payment of “replacement cost” by submitting documentation to us of the completion of repairs or replacement, the “replacement cost”, and payment of the Deductible not later than the 545th day after the date we notify you of the amount we will pay under Condition 4.b.(2).

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- (4) Not later than the 30th day after the date that we receive documentation from you under Condition 6.c.(3), we will provide you, in writing, notice of:
 - (a) the amount we will pay under Condition 6.c.(1); and
 - (b) the deadline to request appraisal of the “replacement cost” under Condition 6.c.(6).

- (5) If we notify you under Condition 6.c.(4) that we will pay your claim, or part of your claim, we must make payment not later than the 10th day after we notify you.

- (6) If you have not completed appraisal under Condition 11. of the amount we will pay under Condition 4.b.(2) and you dispute the amount we will pay for “replacement cost”, you may demand appraisal of the “replacement cost” not later than the 30th day after the date you receive notice from us under Condition 6.c.(4). You may demand appraisal of “replacement cost” under this subsection without regard to whether all repairs related to the claim are complete. If you demand appraisal of “replacement cost” under this subsection, the appraisal will be conducted as follows:
 - (a) You and we will each select a competent and independent appraiser. You shall notify us of your appraiser’s identity. We shall notify you of our appraiser’s identity within 10 days after we receive notice of your appraiser’s identity. The two appraisers will choose a competent and independent umpire. If they cannot agree upon an umpire within 15 days, the commissioner of insurance shall select an umpire from a roster of qualified umpires maintained by the Texas Department of Insurance.
 - (b) The two appraisers will then determine the “replacement cost.” If the appraisers fail to agree, they will submit their differences to the umpire. An itemized decision agreed to by any two of these three and filed with us will determine the “replacement cost”.
 - (c) You and we are responsible in equal shares for paying the costs incurred or charged in connection with the appraisal, including expenses of the appraisers and umpire. If we pay more than our share of the costs of appraisal, our liability and payment for covered losses shall be reduced by the amount we pay in excess of our share.
 - (d) The appraisal decision is binding upon you and us and is not otherwise reviewable or appealable except as provided by Condition 11.g. and 11.h.

The following is added to the DEDUCTIBLE clause:

We may refuse to pay Replacement Cost Coverage under this endorsement until we receive reasonable proof of payment by you of any Deductible applicable to the claim. Reasonable proof of payment includes a canceled check, money order receipt, credit card statement, and a copy of an executed installment plan contract or other financing arrangement that requires full payment of the deductible over time.

All other terms and conditions of the policy apply.



TWIA Privacy Policy

Protecting your privacy is important to us. We want you to understand what information we collect and how we use it. This notice sets forth our policy for the collection, use, and security of your nonpublic personal financial information.

Information Collected

As a part of our business, we may collect "nonpublic personal financial information" about you in order to provide a financial product or service to you. This includes information we receive from you on applications or other forms, information about your transactions with us or others, and information we receive from a consumer reporting agency.

Information Disclosure

We may disclose the following kinds of nonpublic personal financial information about you:

- Information we receive from you on application or other forms such as your name, address or other information; and
- Information about your transactions with us such as your policy coverage, limits of liability and premiums.

Disclosure to Third Parties

We may disclose nonpublic personal information about you to the following types of third parties:

- Insurers that are eligible under TWIA's clearinghouse process and procedures and have agreed to abide by TWIA's policies regarding use of the disclosed information and researchers.

We may also disclose nonpublic personal financial information about you to nonaffiliated third parties as permitted by law.

Option to Limit Disclosure

If you prefer that we not disclose nonpublic personal financial information about you to nonaffiliated third parties, you may direct us not to make those disclosures (other than disclosures permitted by law). Your option to request we not disclose nonpublic personal financial information about you will apply to the windstorm insurance coverage you have obtained from us.

If you wish to limit disclosure, you must complete the enclosed form and return it to TWIA within 30 days of the date this notice was mailed. If you direct us not to disclose nonpublic personal financial information about you (other than as permitted by law), your election will apply to all named insureds on the policy.

If you do not wish to limit disclosure, no action on your part is required.

Our Security Procedures

We restrict access to nonpublic personal financial information about you to those persons who need to know that information, to provide products or services to you and disclose such information only for legitimate business or legal reasons. We maintain physical, electronic, and procedural safeguards that comply with federal regulations and applicable state law to protect your nonpublic personal financial information.

This notice has been provided to you pursuant to the Gramm-Leach-Bliley Act and the rules of the Texas Department of Insurance, which require a financial institution, such as an insurer, to notify customers of its privacy practices and procedures on an annual basis.



Texas Windstorm Insurance Association Disclosure Limitation Reply Form

If you do not want your nonpublic personal financial information disclosed by the Texas Windstorm Insurance Association, please complete the information below and mail the completed form to:

Texas Windstorm Insurance Association
Disclosure Opt Out
P O Box 99090
Austin TX 78709-9090

_____ I want to limit the nonpublic personal financial information the Texas Windstorm Insurance Association discloses about me to third parties.

Insured's name: Chriss Apffel

Policy number: TWRD0100006254

Insured's signature: _____

Date: _____