



Texas Department of Insurance

Financial Regulation Division – General Management, Mail Code 305-2A
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August 7, 2012

John Polak, General Manager
Texas Windstorm Insurance Association
5700 S. Mopac, Building A
Austin, TX 78749

**Via Hand Delivery &
Via Electronic Mail to jpolak@twia.org**

Re: Second Amended Administrative Oversight

Dear Mr. Polak:

This letter supersedes my letters of February 28, 2011, and September 30, 2011, and sets forth amended terms and conditions for administrative oversight of the Texas Windstorm Insurance Association ("TWIA") by the Texas Department of Insurance ("TDI"), pursuant to § 441.053 of the Texas Insurance Code, and in conjunction with all applicable law.

1. TWIA shall continue to comply with the terms and conditions as set forth in letters of February 28, 2011, and September 30, 2011, as well as pursuant to any supplement communications by TDI.
2. Norma Garcia is the Commissioner's Representative to TWIA.
3. As of the date of this letter, the consultant firm of Alvarez & Marsal has been retained by TDI to manage all of TWIA's claims in any way related to events occurring on or before December 31, 2011. TWIA shall work with Alvarez & Marsal as directed by TDI.

Pursuant to the authority set forth in Chapters 401 and 2210 of the Texas Insurance Code, any information and documentation obtained by TDI in connection with this administrative oversight proceeding will be treated confidentially to the extent provided therein.

Nothing in this letter relieves TWIA of its obligation to comply with all applicable law. Nothing in this letter ratifies any action taken by TWIA, or by its management or staff, nor does it express the Commissioner's or TDI's approval of any such action, nor does anything in this letter prevent the Commissioner or TDI from initiating any proceeding, taking any action, seeking any remedy, or pursuing any right at any time.

Sincerely,

Eleanor Kitzman
Commissioner of Insurance

By:

A handwritten signature in black ink, appearing to read "Danny Saenz".

Danny Saenz
Deputy Commissioner
Financial Regulation Division
Commissioner's Order 12-0052

C: TWIA board members
Danny Saenz
Sara Waitt
Norma Garcia
Rachel Giani