



MEMORANDUM

DATE: December 13, 2008
TO: Adjusting Firms and Adjusters and TWIA Claims Staff
FROM: Reggie Warren
RE: **Three Things**

Reserves

Today marks 13 weeks since Ike made landfall. It is highly important that each claim file is reserved properly. Please review your open files and for any claim with an expected payment over \$25,000 send us a single list with the most accurate reserves. We do not want a report on each file, just a list that includes the Claim # and amount of total reserve for all coverages combined. Email your list to TWIAadjusterrepts@twia.org

Please comply with this request by Friday, December 19, 2008.

Supplements

We only want the supplemental estimate. We do not want the original estimate re-written to include the supplement. It is appropriate to give us a brief report with a recap of prior payments and recommended new payments along with your supporting documentation.

Roofs

There must be physical windstorm damage to the shingles or roof covering. Loose, un-adhered shingles in place are not necessarily windstorm damaged. Our opinion is that the shingles must be blown off or if they are blown back, that there is some visible damage to the shingles, usually a crease in the top of the shingle. Our investigation reveals many shingles are not sealed prior to the storm. Shingles used to be manufactured without the sealant. The sealant is not necessary for the roof to repel water. There are many adjusters out there taking their hand and raising up shingles then taking a picture. When we get the report, we can see no windstorm damage but the adjuster has figured to replace the roof. This all being said, good judgment is needed from the adjuster but we need evidence of **direct** (this means it happened during the storm), **physical** (this means you can see the damage) **loss** (this means damage) due to the windstorm.

We are receiving many requests to reopen files because shingles are un-adhered. We do not feel this is direct physical loss due to windstorm and it is not our intention to pay a supplement for this reason. Just because a roofer says the roof needs to be replaced, that does not mean we figure to replace it. You as the adjuster should be the expert in determining windstorm damage and are likely more qualified than many roofers to make that call.

Granule loss is not considered to be direct, physical loss or damage and should not be allowed.