



TEXAS FAIR PLAN
ASSOCIATION

Texas FAIR Plan Association

Rating Rules

John W. Polak, CPCU
August 1, 2021

Table of Contents

I. Introduction	2
II. General Rules	2
III. Inflation Coverage	2
IV. Payments	4
A. Payment Options	4
B. Fees.....	4
V. Changes and Mid-Term Premium Adjustments.....	4
VI. Commissions	5
VII. Effective Date and Important Notices.....	5
VIII. Reduction in Homeowners Premium	5
A. Home Security Devices	5
B. Automatic Sprinkler System.....	5
IX. Rating Rules	6
A. Construction	6
B. Mixed Construction	6
C. Three or More Types of Construction.....	6
D. Public Protection Classification Codes.....	7
F. Rate and Premium Computation Rule - Homeowners	8
G. Rate and Premium Computation Rule- Dwelling	16
H. Rate and Premium Computation Rule- Tenant and Condominium	17
X. Underwriting Credit/Surcharges.....	17
A. Loss History	17
B. Condition Charges	18
XI. Texas Property Insurance Rating Territories	19
XII. Rate Tables, Deductible Adjustment Chart and Premium Charts	20

Texas FAIR Plan Association

Rating Rules

I. Introduction

The Texas FAIR Plan Association (TFPA) was established by Insurance Code Chapter 2211 for the purpose of delivering residential property insurance to qualified citizens of Texas in areas determined by the Commissioner of Insurance to be underserved areas. The rates, rules, forms and endorsements herein shall apply in all cases provided for in these Rating Rules.

II. General Rules

The TFPA Residential Property Insurance Program provides property and liability coverage, using the forms and endorsements specified in the Rating Rules. The Rating Rules contain the rules and classifications governing the writing of the residential property insurance provided by TFPA. The rules, rates, forms and endorsements of the TFPA, for each coverage, shall govern in all cases specifically provided for in the Rating Rules.

III. Inflation Coverage

Automatic increases in the policy coverages as a result of inflation or additions and/or alterations to the dwelling **will not apply**. The insured will be responsible for selecting and maintaining an adequate amount of coverage. The selected amount must meet the minimum standards outlined.

- A. Applicants requesting (FAIR) HO-802 REPLACEMENT COST COVERAGE A (DWELLING) must select a minimum of 100% of the calculated replacement cost.

NOTE: Dwellings with replacement cost in excess of \$1,000,000 may only be considered if reinsurance is available and purchased.

- B. Applicants requesting Actual Cash Value Coverage must insure to a minimum of 100% of the actual cash value.

Actual Cash Value will be determined by multiplying Replacement Cost times the "Normal Depreciation Factor" from the table below. This represents normal depreciation and normal functional obsolescence. This Factor can be determined by:

- rating the physical condition of the building and its degree of desirability and usefulness; and
- applying this rating, combined with the building effective age, to determine a Depreciation Factor from the NORMAL DEPRECIATION FACTORS TABLE below.

Depreciation Code

1. **Excellent** Building is in perfect condition. Very attractive and highly desirable.
2. **Very Good** Well maintained. Quite attractive and desirable.
3. **Good** Normal wear is apparent. Attractive, desirable and useful.
4. **Average** Average deterioration is apparent. Average attractiveness and desirability.
5. **Fair** Marked deterioration. Rather unattractive and undesirable, but still quite useful.
6. **Poor** Extreme deterioration is obvious. Building is barely usable.

NORMAL DEPRECIATION FACTORS

(TO DETERMINE ACTUAL CASH VALUE, MULTIPLY THE REPLACEMENT COST BY THE APPROPRIATE FACTOR FROM THE FOLLOWING TABLE)

YEARS	Excellent	Very Good	Good	Average	Fair	Poor
0-3	1.00	1.00	.95	.90	.85	----
4-8	1.00	.95	.90	.85	.80	.75
9-13	.95	.90	.85	.80	.75	.70
14-18	.90	.85	.80	.75	.70	.65
19-23	.85	.80	.75	.70	.65	.60
24-28	.80	.75	.70	.65	.60	.50
29-38	.75	.70	.65	.60	.55	.45
39-49	.70	.65	.60	.55	.50	.45
Over 49	.65	.60	.55	.50	.45	.40

IV. Payments

A. Payment Options

The TFPA will accept the methods of payment outlined in the Underwriting Manual.

Each payment, not including the initial deposit, made under a semi-annual, quarterly or monthly payment plan shall include a five-dollar (\$5) service charge. Applicants with a history of 3 late payments over any twenty-four month period may be required to change to a full premium payment basis.

The initial deposit amount required for each payment plan is outlined in the Underwriting Manual.

B. Fees

The fee schedule associated with payments:

- Billing Fee of \$5.00 per installment (not including initial deposit).
- Late payment Fee of \$5.00 if payment received after cancellation of nonpayment has been issued.
- Customer Service Processing Fee of \$10.00 to process insured payment by phone.
- Non-Sufficient Funds Fee of \$15.00 if payment returned by bank.

V. Changes and Mid-Term Premium Adjustments

All changes shall be made using the rates in effect at the time of policy issuance.

The following procedure shall be used to determine the premium for a change in coverage.

1. Determine the premium for the old total amount of insurance using premium at current rates and current protection class;
2. Determine the premium for the new total amount of insurance using premium at current rates and current protection class;
3. Subtract the premium determined in 1. from the premium determined in 2. and pro rate the difference. The result will be the premium for the change.

Note: Deductible options may only be amended effective at the normal policy renewal date. A policy may not be rewritten to circumvent this restriction.

VI. Commissions

An agent shall be paid a commission pursuant to a commission schedule set by the Governing Committee and approved by the Commissioner. The commission shall be based on paid gross written premiums and subject to adjustment based on policy changes and cancellations. The gross premium shall be remitted to the TFPA. The TFPA will pay the commission.

VII. Effective Date and Important Notices

Rules and rates shall be effective on the dates shown on the Manual pages, unless accompanying or subsequent Important Notices show otherwise and shall be part of this Manual until superseded by revised Manual pages or subsequent Important Notices.

VIII. Reduction in Homeowners Premium

A. Home Security Devices

A premium reduction of 5% and 15% (for electronic burglar alarms) for homeowners insurance will be applied, if selected, at the time of application, or renewal, if the requirements as outlined in the Underwriting Manual are met.

The reductions will apply to the total homeowners premium. If a risk qualifies for both categories of credits for Home Security Devices set forth in the Underwriting Manual, the credits shall be applied separately.

B. Automatic Sprinkler System

A premium reduction of 8% for homeowners insurance will be applied, if requested, at the time of application, or renewal, if the requirements as outlined in the Underwriting Manual are met.

The reduction will apply to the total homeowners premium.

NOTE: The premium reductions also apply to the Tenant Policy and the Condominium Policy. The premium reductions under this section do not apply to the Dwelling Policy.

IX. Rating Rules

A. Construction

1. **Frame** – Outer walls of frame, iron clad, sheet aluminum or aluminum siding on wood, composition siding, and asphalt covered fiberboard.
2. **Stucco** – Outer walls of stucco, asbestos board, rigid asbestos and hard cement type sidings.
3. **Brick Veneer** – Outer walls of brick veneer or stone veneer.
4. **Brick** – Outer walls of solid masonry, brick, stone, concrete, HTB, HT, hollow masonry units, ICM, and ICMS.
5. **Specifically Rated Risks** - FR (fire resistive), SFR (semi fire resistive), FR, SFR. Premium reductions may be found in the rating section of this Manual under Premium Chart No. 13.

For risks of superior construction (SFR, FR), contact the Texas Department of Insurance for confirmation of construction.

B. Mixed Construction

For risks with two classes of construction, the predominant construction shall be the construction comprising over 50% of the total exterior wall area (excluding gables).

C. Three or More Types of Construction

For risks with more than two constructions, apply the following formula:

(NOTE: Excluding gables)

1. Begin with measurement of best type of construction;
2. Add second best construction;
3. Add third best construction; and if necessary
4. Add fourth best construction, and so on, consecutively, until a total equaling at least 50% of building is reached.

D. Public Protection Classification Codes

Protection Class	Code
1	1
2	2
3	3
4	4
5	5
6	6
7	7
8	8
8B	B
9	9
10	A

1. Determination of Public Protection Class

The ISO Public Protection Classification System approved by the Texas Department of Insurance apply to risks insured with the TFPA.

- (a) The approved protection class indicated in the manual shall apply to a municipality or classified area where a uniform class of fire protection is available. (5, 6, 7, etc.)
- (b) In a municipality or classified area where two or more approved classifications are shown (i.e. 6/9), the classification code shall be determined as follows:

Distance to Responding Fire Station	Class
5 road miles or less with hydrant within 1,000 feet	Use first protection class listed in manual (e.g. 6/9 would use Class 6)
5 road miles or less with hydrant beyond 1,000 feet	Class 9

- (c) All other properties are Class 10

F. Rate and Premium Computation Rule - Homeowners

1. Premium Computation: Calculate the premium for each peril, coverage and exposure for which a separate premium is shown on the policy, as follows:

- (a) Begin with the base premium from TFPA Homeowners Table A. For new policies, use the base premium in effect on the policy inception date. For renewal policies, use the base premium in effect on the policy renewal effective date.
- (b) Basic Premium
 - a. Multiply the protection/construction factor and amount of insurance factor consecutively times the base premium.
 - b. Round the result of each calculation in step (b) (i) (as marked by an asterisk * in the example) to the third decimal place. Five tenths or more of a mill shall be considered one mill. (Example: \$0.1245 = \$0.125)
 - c. Round the resulting basic policy premium determined in step (b) (ii) to the nearest whole dollar. Five hundred mills or more shall be rounded to the next higher dollar. (Example: \$100.500 = \$101.000, but \$100.499 = \$100.000)
- (c) Other Premiums shown separately on the policy
 - a. Apply factors consecutively.
 - b. Round the result of each premium calculation step (as marked by an asterisk * in the example) to the third decimal place. Five tenths or more of a mill shall be considered one mill. (Example \$0.1245 = \$0.125)
 - c. Round each resulting premium shown separately on the policy to the nearest whole dollar. Five hundred mills or more shall be rounded to the next higher dollar. (Example: \$100.500 = \$101.00, but \$100.499 = \$100.00)
- (d) Apply any pro rata factor or policy term factor before rounding the resulting basic policy premium or any other resulting premium shown separately on the policy.

2. Rate Calculations

- (a) Factors or multipliers which are applied to rates shall be applied consecutively and not added together.
- (b) Round the result of each step of the rate calculation to three decimal places. Five-tenths or more of a mill shall be considered one mill. (Example: 0.1245 = 0.125)

EXAMPLE 1

Homeowners premium based on a TFPA Homeowners Form A, Territory 9, Public Protection Class 6, Brick Veneer Construction, 2% deductible, Replacement Cost for Personal Property, and 1 claim in the preceding three-year period.

Coverage A	\$100,000
Coverage B	\$50,000
Coverage C	\$100,000
Coverage D	\$5,000

Basic Premium Determination Amount

Base Premium (Table A)	\$283.00
Protection/Construction Factor (Table B)	<u>1.10</u>
	\$311.300*
Amount of Insurance Factor (Table C)	<u>x 4.736</u>
	\$1,474.317*
Basic Premium (Rounded)	\$1,474.00

Deductible Adjustments

Deductible Adjustment Clause 1 (-8%, Deductible Adjustment Chart) (\$1,474.00 x -0.08 = -117.920*) Round	<u>-\$118.00</u>
Deductible Adjustment Clause 2 (-11%, Deductible Adjustment Chart) (\$1,474.00 x -0.11 = -162.140*) Round	<u>-\$162.00</u>

Endorsements

Replacement Cost for Personal Property Endorsement FAIR HO-803 (5%, Premium Chart No. 1) (\$1,474.00 x 0.05 = 73.700*) Round	<u>+\$74.00</u>
Office, Private School or Studio Endorsement No. (FAIR) HO-205 (Premium Chart No. 2) \$100,000 Personal Liability, \$5000 Medical – One Family (\$8.98 + \$14.96 = \$23.94) Round	<u>+\$24.00</u>
Additional Insured Endorsement HO-301 (Premium Chart No. 3) \$100,000 Personal Liability (\$10.00) Round	<u>+\$10.00</u>

Liability Limits (Coverage C) and Medical Payments to Others (Coverage D)

Liability Limit, \$100,000
(\$14.96 from Premium Chart 5) Round \$15.00

Total Policy Premium Amount

(Prior to Credits and Surcharges applicable to bottom line)

Basic Premium	\$1,474.00
Deductible No. 1 Adjustment	-\$118.00
Deductible No. 2 Adjustment	-\$162.00
Replacement Cost for Personal Property (FAIR) HO-3	+\$74.00
Office, Private School or Studio (FAIR) HO-205	+\$24.00
Additional Insured HO-301	+\$10.00
Increased Limits Amount	<u>+\$15.00</u>
Total Policy Premium Amount	\$1,317.00

Credits and Surcharges

Note: The following credits and surcharges, if applicable, are calculated off the total policy premium amount.

Loss History - 1 claim in the preceding three-year period
Charge for 1 claim (10%, Premium Chart No. 6)
(\$1,317.00 * 0.10 = \$131.700*) Round +\$132.00

Home Security Devices Credit
(5% apply, Premium Chart No. 7)
(\$1,317.00 * 0.05 = \$65.850 credit *) Round -\$66.00

Final Policy Premium Amount

Total Policy Premium Amount	\$1,317.00
Claims Surcharge	+\$132.00
Home Security Devices	-\$66.00
Final Policy Premium Amount	\$1,383.00

EXAMPLE 2

Homeowners premium based on a TFPA Homeowners Form, Territory 9, Public Protection Class 6, Brick Veneer Construction, 2% deductible, Replacement Cost for Personal Property, Windstorm and Hail Exclusion Agreement, and 1 claim in the preceding three-year period.

Coverage A	\$100,000
Coverage B	\$50,000
Coverage C	\$100,000
Coverage D	\$5,000

Basic Premium Determination Amount

Base Premium (Table A)	\$283.00
Protection/Construction Factor (Table B)	<u>1.10</u>
	\$311.300*
Amount of Insurance Factor (Table C)	<u>x 4.736</u>
	\$1,474.317*
Basic Premium (Rounded)	\$1,474.00

Deductible Adjustments

Deductible Adjustment Clause 1 (-8%, Deductible Adjustment Chart)
 (\$1,474.00 x -0.08 = -117.920*) Round **-\$118.00**

Deductible Adjustment Clause 2 (-11%, Deductible Adjustment Chart)
 (\$1,474.00 x -0.11 = -162.140*) Round **-\$162.00**

Endorsements

Replacement Cost for Personal Property
 Endorsement FAIR HO-803 (5%, Premium Chart No. 1)
 (\$1,474.00 x 0.05 = 73.700*) Round **+\$74.00**

Windstorm and Hail Exclusion Agreement
 Endorsement HO-140 (55% credit, Premium Chart No. 4)
 [(\$1,474.00 + 74.00) x 0.55 = 851.400*] Round **-\$851.00**

Office, Private School or Studio
 Endorsement No. (FAIR) HO-205 (Premium Chart No. 2)
 \$100,000 Personal Liability, \$5000 Medical – One Family
 (\$8.98 + \$14.96 = \$23.94) Round **+24.00**

Additional Insured
 Endorsement HO-301 (Premium Chart No. 3)
 \$100,000 Personal Liability
 (\$10.00) Round **+\$10.00**

Liability Limits (Coverage C) and Medical Payments to Others (Coverage D)

Liability Limit, \$100,000 (\$14.96 from Premium Chart 5) Round	\$15.00
--	---------

Total Policy Premium Amount

(Prior to Credits and Surcharges applicable to bottom line)

Basic Premium	\$1,474.00
Deductible No. 1 Adjustment	-\$118.00
Deductible No. 2 Adjustment	-\$162.00
Replacement Cost for Personal Property (FAIR) HO-3	+\$74.00
Windstorm and Hail Exclusion Agreement HO-140	-\$851.00
Office, Private School or Studio (FAIR) HO-205	+\$24.00
Additional Insured HO-301	+\$10.00
Increased Limits Amount	<u>+\$15.00</u>
Total Policy Premium Amount	\$466.00

Credits and Surcharges

Note: The following credits and surcharges, if applicable, are calculated off the total policy premium amount.

Loss History - 1 claim in the preceding three-year period Charge for 1 claim (10%, Premium Chart No. 6) (\$466.00 * 0.10 = \$46.600*) Round	+\$47.00
---	----------

Home Security Devices Credit (5% apply, Premium Chart No. 7) (\$466.00 * 0.05 = \$23.300 credit *) Round	-\$23.00
--	----------

Final Policy Premium Amount

Total Policy Premium Amount	\$466.00
Claims Surcharge	+\$47.00
Home Security Devices	-\$23.00
Final Policy Premium Amount	\$490.00

G. Rate and Premium Computation Rule- Dwelling

1. Premiums for each peril shall be determined for each item of insurance.

- (a) Fire and Lightning

Step 1: Determine the rate per \$1,000 of coverage using the public protection class and the construction of the risk from Dwelling – Table A.

Step 2: Determine the Low Value Factor based on the amount of insurance from Dwelling – Table B. The Low Value Factor is an historical multiplier that is applied to the dwelling fire base rate.

Step 3: Multiply the rate per \$1,000 times the amount of insurance (in thousands) times the Low Value Factor to determine the Fire Premium.

2. Extended Coverage, including the perils of Windstorm, Hail, Explosion, Aircraft and Vehicles, Riot and Civil Commotion, Sudden and Accidental Damage from Smoke.

Step 1: Using the amount of insurance and construction of the risk, determine the base premium from Extended Coverage Base Premiums – Chart 1A (Building) or Extended Coverage Base Premiums – Chart 1B (Contents).

Step 2: Multiply the appropriate territorial multiplier shown on the Dwelling Extended Coverage Territory Multiplier page times the base premium times the applicable deductible adjustment factor to determine the Extended Coverage Premium.

NOTE: For Fire Resistive or Semi-Fire Resistive Dwellings:

- (1) All Territories except 1, 8, 9, 10, and 11 – Rate using 10% of the Brick Premium for buildings and 20% of the Brick Premium for Contents. Refer to Premium Chart 13.

- (2) Territories 1, 8, 9, 10 and 11 – Rate using 20% of the Brick Premium for Buildings and 40% of the Brick Premium for Contents. Refer to Premium Chart 13.

3. Vandalism and Malicious Mischief Refer to the Vandalism & Malicious Mischief Premium Chart for the applicable Vandalism & Malicious Mischief premium based on the amount of insurance. Apply the applicable deductible adjustment factor.

H. Rate and Premium Computation Rule- Tenant and Condominium

1. Basic Premium for Tenant & Condominium Policies is determined as follows:
 - (a) Using the appropriate territory determine the base premium from Tenant and Condominium Table A.
 - (b) Using the applicable protection class and construction class, determine the appropriate Protection/Construction factor from Tenant and Condominium Table B.
 - (c) Using the Limits of Liability for Coverage B (Personal Property), determine the appropriate Amount of Insurance factor from Tenant and Condominium – Table C.
 - (d) Multiply the appropriate Protection/Construction factor times the Amount of Insurance factor times the base premium to determine the basic premium.

X. Underwriting Credit/Surcharges

A. Loss History

The following credits/charges will be applied to the total policy premium for both new applications and renewal policies according to the schedule outlined below. For the purposes of loss history credits and surcharges only, the term **“Paid Claim”** shall be interpreted to mean any claim where payment was made by any insurer for the purpose of reimbursing any insured for damage incurred at any owner occupied residence premises, including the residence to be insured by TFPA. **(Note: this would include secondary residences, but not rental property they may own.)**

Number of Paid Claims	Preceding Time Period	Charge/Credit
0	5 years	-20%
0	3 or 4 years	0%
1	3 years	10%
2	3 years	20%
3	3 years	30%
4 or more	3 years	50%

Note: These credits/surcharges will be applied at inception or subsequent anniversary date and remain in effect for each applicable annual policy period based on the respective time periods outlined above.

B. Condition Charges

The following charges apply to properties that have exposures or hazards, which are not contemplated by the base premium for TFPA properties:

*******MAY BE AVAILABLE AT A LATER DATE**



XI. Texas Property Insurance Rating Territories

County	Territory	County	Territory	County	Territory	County	Territory	County	Territory
Anderson	14	Crockett	15C	Hays	13	Madison	14	Shackelford	19N
Andrews	15N	Crosby	18	Hemphill	20	Marion	17	Shelby	14
Angelina	14	Culberson	15C	Henderson	14	Martin	15N	Sherman	20
Aransas	10	Dallam	20	Hidalgo	11	Mason	13	Smith	14
Archer	19N	Dallas	2	Hill	16C	Matagorda	10	Somervell	16C
Armstrong	20	Dawson	18	Hockley	18	Maverick	12	Starr	12
Atascosa	12	Deaf Smith	20	Hood	16C	Medina	12	Stephens	19C
Austin	13	Delta	17	Hopkins	17	Menard	13	Sterling	15N
Bailey	18	Denton	4	Houston	14	Midland	15N	Stonewall	18
Bandera	12	De Witt	13	Howard	15N	Milam	13	Sutton	15C
Bastrop	13	Dickens	18	Hudspeth	15C	Mills	16C	Swisher	18
Baylor	19N	Dimmit	12	Hunt	17	Mitchell	15N	Tarrant	3
Bee	11	Donley	20	Hutchinson	20	Montague	19C	Taylor	16N
Bell	13	Duval	12	Irion	15N	Montgomery	14	Terrell	15C
Bexar	5	Eastland	16C	Jack	19C	Moore	20	Terry	18
Blanco	13	Ector	15N	Jackson	11	Morris	17	Throckmorton	19N
Borden	18	Edwards	12	Jasper	14	Motley	18	Titus	17
Bosque	16C	Ellis	14	Jeff Davis	15C	Nacogdoches	14	Tom Green	15N
Bowie	17	El Paso	7	Jefferson	10	Navarro	14	Travis	6
Brazoria	10	Erath	16C	Jim Hogg	12	Newton	14	Trinity	14
Brazos	13	Falls	13	Jim Wells	11	Nolan	15N	Tyler	14
Brewster	15C	Fannin	17	Johnson	16C	Nueces	9	Upshur	17
Briscoe	18	Fayette	13	Jones	19N	Ochiltree	20	Upton	15N
Brooks	11	Fisher	18	Karnes	13	Oldham	20	Uvalde	12
Brown	16C	Floyd	18	Kaufman	17	Orange	11	Val Verde	12
Burleson	13	Foard	19N	Kendall	13	Palo Pinto	19C	Van Zandt	17
Burnet	13	Fort Bend	11	Kenedy	10	Panola	14	Victoria	11
Caldwell	13	Franklin	17	Kent	18	Parker	19C	Walker	14
Calhoun	10	Freestone	14	Kerr	12	Parmer	18	Waller	14
Callahan	16N	Frio	12	Kimble	13	Pecos	15C	Ward	15N
Cameron	10	Gaines	18	King	18	Polk	14	Washington	13
Camp	17	Galveston	8	Kinney	12	Potter	20	Webb	12
Carson	20	Garza	18	Kleberg	10	Presidio	15C	Wharton	11
Cass	17	Gillespie	13	Knox	19N	Rains	17	Wheeler	20
Castro	18	Glasscock	15N	Lamar	17	Randall	20	Wichita	19N
Chambers	10	Goliad	11	Lamb	18	Reagan	15N	Wilbarger	19N
Cherokee	14	Gonzales	13	Lampasas	13	Real	12	Willacy	10
Childress	18	Gray	20	La Salle	12	Red River	17	Williamson	13
Clay	19N	Grayson	17	Lavaca	13	Reeves	15C	Wilson	13
Cochran	18	Gregg	14	Lee	13	Refugio	10	Winkler	15N
Coke	15N	Grimes	14	Leon	14	Roberts	20	Wise	19C
Coleman	16N	Guadalupe	13	Liberty	11	Robertson	13	Wood	17
Collin	4	Hale	18	Limestone	14	Rockwall	4	Yoakum	18
Collingsworth	20	Hall	18	Lipscomb	20	Runnels	16N	Young	19C
Colorado	13	Hamilton	16C	Live Oak	11	Rusk	14	Zapata	12
Comal	13	Hansford	20	Llano	13	Sabine	14	Zavala	12
Comanche	16C	Hardeman	19N	Loving	15C	San Augustine	14		
Concho	16N	Hardin	11	Lubbock	18	San Jacinto	14		
Cooke	19C	Harris	1	Lynn	18	San Patricio	10		
Coryell	13	Harrison	17	McCulloch	16N	San Saba	13		
Cottle	18	Hartley	20	McLennan	16S	Schleicher	15C		
Crane	15N	Haskell	19N	McMullen	12	Scurry	18		

XII. Rate Tables, Deductible Adjustment Chart and Premium Charts

TFPA HOMEOWNERS – TABLE A Annual Base Premiums Deductibles No. 1 and No. 2 at 1% of Coverage A (Minimum Deductibles \$100) Coverage C - Personal liability at \$25,000 Coverage D - Medical Payments to Others at \$500	
Territory	FAIR Plan
1	482
2	358
3	366
4	297
5	246
6	177
7	138
8	149
9	283
10	170
11	428
12	223
13	203
14	280
15C	314
15N	426
16C	360
16N	379
16S	282
17	420
18	426
19C	498
19N	442
20	394

TFPA HOMEOWNERS - TABLE B				
Protection Class / Construction Factors				
Public Protection Class	Type of Construction			
	Brick	Brick Veneer	Asbestos Class & Stucco	Frame
1	0.86	0.90	0.91	1.08
2	0.86	0.90	0.91	1.08
3	0.94	0.98	0.99	1.18
4	0.96	1.00	1.01	1.20
5	1.00	1.05	1.06	1.26
6	1.05	1.10	1.11	1.32
7	1.10	1.15	1.16	1.38
8	1.15	1.20	1.21	1.44
8B	1.17	1.22	1.35	1.70
9	1.18	1.23	1.49	1.95
10	1.20	1.25	1.52	1.98



TFPA HOMEOWNERS - TABLE C					
Amount of Insurance Factor Table					
Coverage A Dwelling Amount	Coverage B Contents Amount	Amount of Insurance Factor	Coverage A Dwelling Amount	Coverage B Contents Amount	Amount of Insurance Factor
\$5,000	\$2,500	0.422	\$150,000	\$75,000	6.575
10,000	5,000	0.737	\$155,000	\$77,500	6.753
15,000	7,500	1.023	160,000	80,000	6.928
20,000	10,000	1.290	165,000	82,500	7.103
25,000	12,500	1.545	170,000	85,000	7.277
30,000	15,000	1.790	175,000	87,500	7.450
35,000	17,500	2.027	180,000	90,000	7.621
40,000	20,000	2.258	185,000	92,500	7.793
45,000	22,500	2.484	190,000	95,000	7.963
50,000	25,000	2.704	195,000	97,500	8.132
55,000	27,500	2.921	200,000	100,000	8.300
60,000	30,000	3.133	205,000	102,500	8.469
65,000	32,500	3.343	210,000	105,000	8.635
70,000	35,000	3.549	215,000	107,500	8.802
75,000	37,500	3.753	220,000	110,000	8.967
80,000	40,000	3.954	225,000	112,500	9.132
85,000	42,500	4.153	230,000	115,000	9.295
90,000	45,000	4.349	235,000	117,500	9.459
95,000	47,500	4.544	240,000	120,000	9.621
100,000	50,000	4.736	245,000	122,500	9.784
105,000	52,500	4.927	250,000	125,000	9.945
110,000	55,000	5.116	255,000	127,500	10.106
115,000	57,500	5.304	260,000	130,000	10.266
120,000	60,000	5.489	265,000	132,500	10.426
125,000	62,500	5.674	270,000	135,000	10.585
130,000	65,000	5.856	275,000	137,500	10.744
135,000	67,500	6.038	280,000	140,000	10.901
140,000	70,000	6.218	285,000	142,500	11.059
145,000	72,500	6.398	290,000	145,000	11.211

For Each Additional \$5,000 of Coverage A (Above \$290,000): Add 0.145 to the \$290,000 factor.

TFPA HOMEOWNERS – TABLE D	
Increased Personal Property Limits	
Personal Property Limit	PP limits factor
50% of Coverage A	1.00
60% of Coverage A	1.06
70% of Coverage A	1.12

Applied to Coverage A & B Basic Premium

**Homeowners
Deductible Adjustment Chart**

Determine the deductible adjustment premium credit by applying the following percentages to the basic premium. This deductible adjustment amount should then be subtracted from the basic premium to determine the policy premium.

NOTE 1: The deductible adjustment premium must be shown in the space provided on the declaration page of the policy.

NOTE 2: Use interpolation if necessary.

Amount of Coverage A	Deductible No. 1	Deductible No. 2
	Wind & Hail All Territories	Other than Wind & Hail All Territories
	2.0%	2.0%
\$25,000	-4%	-6%
26,000	-4%	-6%
27,000	-4%	-6%
28,000	-5%	-6%
29,000	-5%	-6%
30,000	-5%	-6%
31,000	-5%	-6%
32,000	-5%	-7%
33,000	-5%	-7%
34,000	-5%	-7%
35,000	-5%	-8%
36,000	-5%	-8%
37,000	-5%	-8%
38,000	-6%	-8%
39,000	-6%	-8%
40,000	-6%	-8%
45,000	-6%	-9%
50,000	-7%	-9%
55,000	-7%	-10%
60,000	-8%	-10%
65,000	-8%	-10%
70,000	-8%	-10%
75,000	-8%	-11%
80,000	-8%	-11%
85,000	-8%	-11%
90,000	-8%	-11%
95,000	-8%	-11%
100,000	-8%	-11%
105,000	-8%	-11%

110,000	-8%	-11%
115,000	-8%	-11%
120,000	-8%	-11%
125,000	-8%	-11%
130,000	-8%	-11%
135,000	-8%	-11%
150,000	-8%	-11%
175,000	-8%	-11%
200,000	-8%	-11%
250,000	-8%	-11%
350,000	-9%	-12%
500,000	-10%	-14%
750,000 & Over	-11%	-15%

DWELLING - TABLE A

1-Year Base Fire Rates for Buildings or Contents
Per \$1,000 of Coverage

PPC	Brick	Brick Veneer	Asbestos Clad & Stucco	Frame
1	1.14	1.40	3.08	4.62
2	1.14	1.40	3.08	4.62
3	1.58	1.90	4.28	6.27
4	1.84	2.23	4.91	7.31
5	1.91	2.31	5.12	7.67
6	2.31	2.84	6.27	9.28
7	2.65	3.22	7.24	10.62
8	3.12	3.71	8.26	12.30
8B	3.36	3.85	8.68	13.21
9	3.50	3.99	9.05	14.12
10	3.98	4.49	10.19	15.85

DWELLING - TABLE B

Low Value Factors *

Amount of Coverage	Factor
\$1,000	2.000
1,500	1.800
2,000	1.670
2,500	1.560
3,000	1.460
3,500	1.370
4,000	1.280
5,000	1.160
6,000	1.080
7,000	1.020
7,500 & up	1.000

*** The Low Value Factor is an historical multiplier that is applied to the dwelling fire base rate.**

EXTENDED COVERAGE BASE PREMIUMS – Chart 1A (Building)

1 Year Extended Coverage Base Premiums

Building - 1% Deductible, \$100 Minimum

Amount of Insurance	Construction	
	FR and A&S	BR and BV
\$1,000	\$4	\$3
1,500	5	4
2,000	7	6
2,500	8	6
3,000	9	7
3,500	10	8
4,000	10	8
5,000	12	10
6,000	13	11
7,000	14	12
7,500	15	12
8,000	16	13
9,000	18	15
10,000	20	17
11,000	22	18
12,000	24	20
13,000	26	21
14,000	28	23
15,000	30	25
16,000	32	26
17,000	34	28
18,000	36	30
19,000	38	31
20,000	40	33
21,000	42	35
22,000	44	36
23,000	46	38
24,000	48	40
25,000	50	41
26,000	52	43
27,000	54	45
28,000	56	46
29,000	58	48
30,000	60	50
35,000	70	58

40,000	80	66
45,000	90	74
50,000	100	83
55,000	109	91
60,000	119	99
<hr/>		
65,000	129	107
70,000	139	116
75,000	149	124
80,000	159	132
85,000	169	140
<hr/>		
90,000	179	149
95,000	189	157
100,000	199	165
<hr/>		
For Each Additional \$1,000 Add:	\$1.99	\$1.65

To determine premium for deductibles other than 1%, refer to the Deductible Adjustment Percentage Schedule.

EXTENDED COVERAGE BASE PREMIUMS – Chart 1B (Contents)

1 Year Extended Coverage Base Premiums

Contents - 1% Deductible, \$100 Minimum

Amount of Insurance	Construction	
	FR and A&S	BR and BV
\$1,000	\$1	\$1
1,500	2	2
2,000	2	2
2,500	3	2
3,000	3	3
3,500	3	3
4,000	4	3
5,000	4	3
6,000	4	4
7,000	5	4
7,500	5	4
8,000	6	5
9,000	6	5
10,000	7	6
11,000	8	6
12,000	8	7
13,000	9	8
14,000	10	8
15,000	10	9
16,000	11	9
17,000	12	10
18,000	12	11
19,000	13	11
20,000	14	12
21,000	14	12
22,000	15	13
23,000	16	14
24,000	17	14
25,000	17	15
26,000	18	15
27,000	19	16
28,000	19	17
29,000	20	17
30,000	21	18
35,000	24	21
40,000	28	24

45,000	31	27
50,000	35	30
55,000	38	32
60,000	41	35
65,000	45	38
70,000	48	41
75,000	52	44
80,000	55	47
85,000	59	50
90,000	62	53
95,000	66	56
100,000	69	59
For Each Additional \$1,000 Add:	\$0.69	\$0.59

To determine premium for deductibles other than 1%, refer to the Deductible Adjustment Percentage Schedule.

DWELLING EXTENDED COVERAGE TERRITORY MULTIPLIERS

Territory	Building			Contents		
	Frame & Asbestos / Stucco	Brick Veneer	Brick	Frame & Asbestos / Stucco	Brick Veneer	Brick
1	5.198	5.337	4.431	5.324	5.131	4.334
2	3.560	3.560	3.560	3.560	3.560	3.560
3	4.026	4.026	4.026	4.026	4.026	4.026
4	3.271	3.271	3.271	3.271	3.271	3.271
5	2.783	2.783	2.783	2.783	2.783	2.783
6	2.378	2.378	2.378	2.378	2.378	2.378
7	2.147	2.147	2.147	2.147	2.147	2.147
8	1.239	1.293	1.073	1.269	1.274	1.048
9	1.332	1.391	1.153	1.363	1.369	1.126
10	1.351	1.411	1.172	1.385	1.391	1.143
11	4.702	4.824	4.009	4.812	4.635	3.916
12	3.718	3.718	3.718	3.718	3.718	3.718
13	2.840	2.840	2.840	2.840	2.840	2.840
14	3.025	3.025	3.025	3.025	3.025	3.025
15C	3.966	3.966	3.866	3.966	3.966	3.966
15N	8.644	8.758	8.758	8.681	8.506	8.506
16C	4.423	4.423	4.423	4.423	4.423	4.423
16N	5.944	6.020	6.020	5.967	5.848	5.848
16S	3.782	3.782	3.782	3.782	3.782	3.782
17	3.787	3.787	3.787	3.787	3.787	3.787
18	6.681	6.770	6.770	6.710	6.572	6.572
19C	5.436	5.436	5.436	5.436	5.436	5.436
19N	7.532	7.631	7.631	7.562	7.409	7.409
20	6.794	6.881	6.881	6.818	6.679	6.679



Dwelling

VANDALISM/MALICIOUS MISCHIEF PREMIUM CHART

All Territories - One-Year Basis

Amount of Insurance	Vandalism/ Malicious Mischief
\$1,000	\$1
1,500	1
2,000	1
2,500	1
3,000	1
3,500	1
4,000	1
5,000	1
6,000	1
7,000	1
7,500	1
8,000	2
9,000	2
10,000	2
11,000	2
12,000	2
13,000	2
14,000	3
15,000	3
16,000	3
17,000	3
18,000	3
19,000	4
20,000	4
21,000	4
22,000	4
23,000	4
24,000	5
25,000	5
30,000	6
35,000	7
40,000	8
45,000	9
50,000	10
55,000	10
60,000	11



65,000	12
70,000	13
75,000	14
80,000	15
85,000	16
90,000	17
95,000	18
100,000	19
Each Additional \$1,000 Add:	0.19

Dwelling
Deductible Adjustment Chart

Determine the Building and/or Contents deductible adjustment premium charge by applying the following percentages to the premium. This deductible adjustment amount should then be subtracted from the total premium for each peril.

NOTE: Use interpolation if necessary

Amount of Coverage	Deductible Amount
	2.0%
\$25,000	-12%
26,000	-13%
27,000	-13%
28,000	-14%
29,000	-14%
30,000	-14%
31,000	-15%
32,000	-15%
33,000	-16%
34,000	-16%
35,000	-16%
36,000	-17%
37,000	-17%
38,000	-17%
39,000	-17%
40,000	-18%
45,000	-19%
50,000	-20%
55,000	-21%
60,000	-21%
65,000	-22%
70,000	-22%
75,000	-23%
80,000	-23%
85,000	-23%
90,000	-24%
95,000	-24%
100,000	-24%
105,000	-24%
110,000	-24%

115,000	-24%
120,000	-24%
125,000	-24%
130,000	-24%
135,000	-24%
150,000	-25%
175,000	-25%
200,000	-25%
250,000	-25%
350,000	-25%
500,000	-25%
750,000 & Over	-25%

TEXAS FAIR PLAN TENANT AND TEXAS FAIR PLAN CONDOMINIUM POLICIES

TENANT AND CONDOMINIUM TABLE A

Territory	Dwellings and Townhouses	Apartments**	Other Buildings	Condominiums
1	\$77	\$114	\$129	\$103
2	66	90	99	88
3	67	94	100	92
4	48	68	72	66
5	62	88	96	108
6	47	63	70	79
7	59	79	89	97
8	44	64	70	54
9	52	74	79	61
10	44	64	69	54
11	67	97	108	89
12	47	63	71	79
13	41	52	58	63
14	53	71	81	86
15C	47	63	70	75
15N	55	85	95	78
16C	55	75	84	75
16N	50	79	87	70
16S	50	68	75	68
17	70	97	105	97
18	70	107	120	96
19C	61	82	90	82
19N	54	87	94	79
20	49	75	84	67

** Also applies to Texas FAIR Plan Tenant Policies written on tenant occupied condominiums rated under the Condominium Schedule.

TENANT AND CONDOMINIUM - TABLE B
Protection Class / Construction Factors

Public Protection Class	Type of Construction			
	Brick	Brick Veneer	Asbestos Clad & Stucco	Frame
1	0.91	0.90	1.05	1.15
2	0.91	0.90	1.05	1.15
3	0.99	0.98	1.15	1.26
4	1.01	1.00	1.17	1.28
5	1.06	1.05	1.23	1.35
6	1.11	1.10	1.29	1.41
7	1.16	1.15	1.35	1.48
8	1.21	1.20	1.40	1.54
8B	1.23	1.22	1.42	1.56
9	1.24	1.23	1.43	1.57
10	1.26	1.25	1.46	1.60

TENANT AND CONDOMINIUM - TABLE C
Amount of Insurance Factors

Coverage B Amount	Amount of Insurance Factor
4,000	0.59
5,000	0.65
6,000	0.72
7,000	0.79
8,000	0.86
9,000	0.93
10,000	1.00
11,000	1.06
12,000	1.11
13,000	1.17
14,000	1.22
15,000	1.26
16,000	1.32
17,000	1.37
18,000	1.42
19,000	1.47
20,000	1.53
21,000	1.60
22,000	1.68
23,000	1.76
24,000	1.83
25,000	1.91
26,000	1.98
27,000	2.06
28,000	2.14
29,000	2.21
30,000	2.29
31,000	2.36
32,000	2.44
33,000	2.52
34,000	2.59
35,000	2.67
36,000	2.75
37,000	2.82
38,000	2.90
39,000	2.97
40,000	3.05

For Each Additional \$1,000 in Coverage B Amount (Over \$40,000):

Add 0.08 to the \$40,000 Amount of Insurance Factor to determine the appropriate Amount of Insurance Factor.

Deductible Adjustment Chart

Tenant and Condominium

Determine the deductible adjustment premium charge or credit by applying the following percentages to the basic premium. This deductible adjustment amount should then be added to or subtracted from the basic premium to determine the policy premium.

NOTE 1: The deductible adjustment premium must be shown in the space provided on the declaration page of the policy.

NOTE 2: Use interpolation if necessary.

Deductible No. 3 (All Territories)

Amount of Coverage B	1% with minimum \$250 Theft
Under \$11,000	-7%
11,000	-7%
12,000	-6%
13,000	-6%
14,000	-5%
15,000	-5%
16,000	-4%
17,000	-4%
18,000	-3%
19,000	-3%
20,000	-2%
25,000	-
30,000	-
35,000	-
40,000	-
45,000	-
50,000	-
Over 50,000	-
Over 100,000	-

Premium Chart No. 1
Endorsement No. (FAIR) HO-803
Replacement Cost for Personal Property

HOMEOWNERS

Add a 5% surcharge to the basic premium.

TENANT AND CONDOMINIUM

Add a 15% surcharge to the basic premium.

Premium Chart No. 2
Endorsement No. HO-205
Office, Private School or Studio

Residence Premises - When such occupancy is maintained in the residence premises and Endorsement HO-205 is attached, charge an additional premium shown below for coverage C (Personal Liability).

Limit of Liability	Premium Charge
\$100,000	\$8.98
\$300,000	\$10.46

If medical payments to others are to be included, add the following:

Medical Payments to Others	One Family	Two Family
\$5,000	\$14.96	\$20.95

**Premium Chart No. 3
Endorsement No. HO-301
Additional Insured**

When Section II coverage is to be provided for an occupant of the residence premises, attach HO-301 and charge the following additional premium.

Limit of Liability	Medical Limit \$5,000
\$100,000	\$10.00
\$300,000	\$12.00

**Premium Chart No. 4
Endorsement Nos. HO-140, HO-806,
HO-806B, and TDP-001
Windstorm and Hail Exclusion Agreement**

HOMEOWNERS

Apply the following credits to the basic premium and the premium charge for Replacement Cost for Personal Property, Endorsement No. (FAIR) HO-803.

Territory	Credit for HO-140
1*	55%
8	55%
9	55%
10	55%
All Others	0%

* That portion of Harris County eligible for TWIA.

DWELLING

Apply the following credits to the extended coverage premium.

Territory	Credit for TDP 001
1*	73.7%
8	75.2%
9	75.2%
10	75.2%

* That portion of Harris County eligible for TWIA.

TENANT AND CONDOMINIUM

Apply the following credits to the basic premium and the premium charge for Replacement Cost for Personal Property, Endorsement No. (FAIR) HO-803.

Territory	Credit for HO- 806 and HO- 806B
1*	11.7%
8	11.7%
9	11.7%
10	11.7%

* That portion of Harris County eligible for TWIA.

Premium Chart No. 5
Additional Premiums for Increased Limits of Liability & Medical Payments to Others
and Endorsement No. 225 - Additional Premises Liability Coverage

Liability Limit	Main Dwelling Medical Payments to Others \$5,000	Each Additional Dwelling Occupied by Insured \$5,000
\$100,000	\$14.96	\$12.00
\$300,000	\$19.47	\$13.00

ENDORSEMENT NO. 225 – ADDITIONAL PREMISES LIABILITY COVERAGE

Each Residential Premises Rented to Others**		
Liability Limit	One Family	Two Family
100,000	6.00	10.46
300,000	7.49	13.46

If medical payment is to be included, add the following charges:		
Liability Limit	One Family	Two Family
5,000	9.00	10.00

****Medical payments to others coverage for dwellings rented to others is not contemplated in the premiums shown above.**

Premium Chart No. 6
Loss History

Apply the applicable discount or surcharges to the total premium. Include both weather and non-weather related claims in the number of claims paid. These credits/surcharges will be applied at inception or subsequent anniversary date and remain in effect for each applicable annual policy period based on the respective time periods outlined below.

Zero (0) claims paid in the preceding five year period	Discount	20%
Zero (0) claims paid in the preceding three or four year period	Base	0%
One (1) claim paid in the preceding three year period	Surcharge	10%
Two (2) claims paid in the preceding three year period	Surcharge	20%
Three (3) claims paid in the preceding three year period	Surcharge	30%
Four (4) or more claims paid in the preceding three year period	Surcharge	50%

**Premium Chart No. 7
Home Security Devices**

1. A premium reduction of 5% for homeowners insurance, including tenant and condominium, is applicable in accordance with Section VIII. A. of the TFPA Rating Rules, “Home Security Devices”.
2. A premium reduction of 15% for homeowners insurance, including tenant and condominium, is applicable in accordance with Section VIII. A. of the TFPA Rating Rules, “Home Security Devices”.
3. These reductions apply to the total homeowners, tenant, and condominium premium. Existing policies may be endorsed to reflect this reduction in accordance with the rules of this Manual.

**Premium Chart No. 8
Automatic Sprinkler System**

1. A premium reduction of 8% for homeowners insurance, including tenant and condominium, is applicable in accordance with Section VIII. B. of the TFPA Rating Rules, “Automatic Sprinkler System”.
2. This reduction applies to the total homeowners, tenant, and condominium premium. Existing policies may be endorsed to reflect these reductions in accordance with the rules of this Manual.

**Premium Chart No. 9
Minimum Earned Premium**

The minimum earned premium is \$100

Premium Chart No. 10
Endorsement No. HO-382
Condominium Loss Assessment Coverage

Limits of Liability	Premium Coverage
First 1,000	\$7.50
Next \$4,000	4.50
Next \$5,000	3.00
Each add'l \$5,000 (Up to \$50,000)	1.50

Premium Chart No. 11
Endorsement TDP-017
FAIR Rental Value

- A. Use the main dwelling premium for \$10,000 coverage for each peril insured, divided by 100 to determine the rate of premium for \$100 of insurance for each peril
- B. Apply the following factors to the rates determined in A above:

Months	FR, SFR	All Other
3	0.90	1.15
4	0.82	1.05
5	0.74	0.95
6 to 8	0.70	0.90
9 to 11	0.62	0.80
12 or more	0.50	0.65

- C. Apply the rates determined in B above to the amount of rental insurance for each peril insured.

**Premium Chart No. 12
Endorsement (FAIR) HO-809
Unit Owners Rental To Others**

CONDOMINIUM

Add a 25% surcharge to the basic premium.

**Premium Chart No. 13
Specifically Rated Risks**

HOMEOWNERS

Rate using 70% of the Basic Premium for brick construction.

DWELLING

Fire:
Rate using 60% of the premium for brick construction.

Extended Coverage:
All Territories except 1, 8, 9, 10, and 11 – Rate using 10% of the Brick Premium for Buildings and 20% of the Brick Premium for Contents.

Territories 1, 8, 9, 10 and 11 – Rate using 20% of the Brick Premium for Buildings and 40% of the Brick Premium for Contents.

TENANT AND CONDOMINIUM

Rate using the applicable percentage, as shown below, of the basic premium for brick construction:

Dwellings & Townhomes	90%
Apartments	70%
Other Buildings	85%
Condominiums	70%

Premium Chart No. 14
Endorsements (FAIR) HO- 400 and 401
Sudden and Accidental Discharge of Water or
Steam

Form	Annual Premium	Limit
400	\$138	\$5000
401	\$39	\$5000