



Southwestern Insurance Information Service

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INSURANCE NEWS

Date: December 9, 2009
Source: Houston Chronicle
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Windstorm insurer undergoes changes

The state's insurance commissioner appointed a majority of new members Tuesday to the board of the Texas Windstorm Insurance Association, which has come under scrutiny for how it handled claims from Hurricane Ike.

Lawmakers tasked Insurance Commissioner Mike Geeslin with appointing a new board as part of House Bill 4409, which changed the board's composition to include more representatives from coastal counties.

The board meets quarterly and votes on rate changes, member assessments and other financial and operational policies. Members serve three-year terms. The insurer falls under the regulatory jurisdiction of the Texas Department of Insurance.

The state-created but privately run insurer sells coverage to property owners who can't find it elsewhere.

Composition of board

The nine-member board will have five new members, three who already sit on the board and one who was previously on the board.

The four insurance company representatives include Alice Gannon, chief property and casualty actuary at USAA; Michael Gerik, executive vice president of Texas Farm Bureau Insurance; Peter Kelly, director of state operations at Liberty Mutual Insurance; and Craig Nadziejka, operations vice president at State Farm.

Coastal members include Garry Kaufman, a Galveston insurance agent; Joseph Minor, an engineer from Aransas County; Georgia Neblett, director of the University of Texas Marine Science Institute in Port Aransas; and Robert Shepard, an agent from Harlingen.

Cliff Craig, an agent from Amarillo, will represent noncoastal residents. William Franklin Sr., an engineer from La Marque, is a nonvoting member of the board, whose role is to provide advice.

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Kaufman, Gerik and Neblett are current board members who will remain when the new board takes over Jan. 1. Nadziejka has served on the board previously.

'Highly qualified people'

Jim Oliver, general manager of the windstorm insurer, said he had not yet met Minor or Craig but knew the remaining appointees.

"It's clear the commissioner picked highly qualified people who are not only knowledgeable about insurance but are also eager to serve the coastal residents. I'm really looking forward to working with them all," Oliver said.

The new board will face ongoing scrutiny over how the insurer handled claims after Hurricane Ike. Oliver has maintained the insurer acted appropriate and fairly, but TWIA faces two regulatory investigations and one lawsuit from the insurance department as well as hundreds of policyholder lawsuits.

Departing members

Outgoing board members are Wallace Goodman, an insurance agent in Corpus Christi; Derek Gullage, of Farmers Insurance ; John Miletti, vice president of government affairs at Travelers; Corise Morrison, executive director, USAA; Shyama Terry, a vice president at State Farm; and John Smecca, who owns restaurants in Galveston.

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