

US TERRORISM INSURANCE
SOLUTIONS



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Terrorism Risk Insurance Program Reauthorisation

In January 2015, the Terrorism Risk Insurance Program Reauthorization Act (TRIPRA) of 2015 was passed for a six year extension. The program includes a number of shortfalls, and some additional changes which will require further consideration by US insureds:

Key TRIPRA 2015 Amendments		
	Expiring TRIPRA Program	2015 TRIPRA Program
Trigger for federal share of losses	\$100,000,000.	Phases up to \$200,000,000 incrementally over a period of 5 years.
Federal share of losses	Federal share of losses to an insurer shall be 85% that exceed the relevant insurer deductible.	Federal share of losses to reduce to 80% incrementally over a period of 5 years that exceed the relevant insurer deductible.
Certification Trigger	\$5,000,000 in insured losses – no certification timeline.	Treasury Secretary to initiate study regarding certification process.
Federal Certification Process	Requires the agreement of Treasury Secretary, Secretary of State and Attorney General.	Clarification will follow the Treasury Secretary study. Event will be certified following consultation between the Treasury Secretary and the Department of Homeland Security Secretary.

Stand-alone cover advantages

- Broadest definition of terrorism available. Religious, ideological and political acts covered, with wordings designed to respond to attacks deriving from single interest parties.
- No certification trigger or federal consultation requirement. The stand-alone market is tested in the settlement of claims on a global scale.
- Whilst TRIPRA tracks the underlying policy limits and retentions, the stand-alone market can offer flexibility. Select locations can be covered, whilst options can be provided on variable first loss limit and retention amounts.
- Follow form wordings available complete with terrorism liability coverage.
- Global coverage available including broader perils (civil commotion and political violence coverage) which can be included to correlate better with insured's worldwide exposures.
- Longevity of cover. No guarantee that the current TRIPRA Act will be extended past 2020.

Our team

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Our capacity (USD)

\$50m

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