



Minnesota Workers' Compensation
Insurers Association, Inc.
7701 France Avenue South • Suite 450
Minneapolis, MN 55435-3200

February 24, 2015

ALL ASSOCIATION MEMBERS

Circular Letter 15-1667

RE: NCCI Item P-1412— Terrorism Risk Insurance Program Reauthorization Act of 2015 Endorsements

The Minnesota Department of Commerce has approved the above filing to become effective, 12:01 a.m., January 1, 2015, for new, renewal, and outstanding policies issued on and after 12:01 a.m. on January 1, 2015.

This item revises and withdraws endorsements in the *Minnesota Forms Manual* as a result of the recent enactment of the Terrorism Risk Insurance Program Reauthorization Act of 2015 (TRIPRA of 2015).

The Terrorism Risk Insurance Act of 2002 (“TRIA” or the “Act”) was implemented as a result of the US Congress recognizing that terrorism is a catastrophe exposure that is real and significant for insurers of workers’ compensation and other lines of insurance. It initially provided a temporary program under which the Federal government would share in the payment of insured losses caused by certain acts of terrorism. TRIA was scheduled to expire on December 31, 2005. It was renewed as the Terrorism Risk Insurance Extension Act (TRIEA) in 2005, and as the Terrorism Risk Insurance Program Reauthorization Act (TRIPRA) in 2007. MWCIA filed and adopted several national items that proposed the necessary miscellaneous values, rules, and policy forms to implement the original TRIA and each of its renewals

Recognizing that terrorism is a catastrophe exposure that continues to be significant for insurers of workers’ compensation and other lines of insurance, the US Congress enacted TRIPRA of 2015. The key provisions are as follows:

- The Act was extended for six years and will expire December 31, 2020
- An act of terrorism must be certified by the Secretary of the Treasury, in consultation with the Secretary of Homeland Security, and the Attorney General of the United States

Beginning on January 1, 2016:

- The current 85% Federal share of compensation under the Terrorism Insurance Program (Program) decreases by one percentage point per calendar year until it is equal to 80%
- The current Program trigger for aggregate industry insured losses to exceed \$100 million increases by \$20 million per calendar year until it is equal to \$200 million

The current \$27.5 billion insurance marketplace aggregate retention amount increases by \$2 billion per calendar year, beginning in 2015, until it is equal to \$37.5 billion, and is subject to further revision thereafter.

To implement the changes as a result of the enactment of TRIPRA of 2015, the following revisions will be made to the ***Minnesota Forms Manual***:

1. The Terrorism Risk Insurance Program Reauthorization Act Disclosure Endorsement (WC 00 04 22 A) must be revised to:

- Update the TRIPRA references to TRIPRA of 2015
- Revise the definitions to conform to TRIPRA of 2015
- Revise the Insurer Deductible provisions
- Revise the Program trigger amounts and the Federal share of compensation provisions

2. The Notification Endorsement of Pending Law Change to Terrorism Risk Insurance Program Reauthorization Act of 2007 (WC 00 01 14) must be withdrawn. The purpose of this endorsement was to notify policyholders of the impending expiration of TRIPRA. However, with the enactment of TRIPRA of 2015, this endorsement is no longer needed.

Exhibits 1, 3, and 3A illustrate all necessary changes to the ***Minnesota Forms Manual***. As in past filings, strikethroughs indicate deleted text and underlining indicates new or added text. A copy of National Council's original filing memorandum is also included.

Please direct any questions you may have concerning this item to MWCIA's Underwriting staff at 952.897.1737 (Option 1) or via email at underwriting@mwcia.org.

A NOTICE TO MEMBERSHIP:

MWCIA would like to remind our membership who have filed a Limited Power of Attorney with the Minnesota Department of Commerce that no materials referenced in the Circular Letter are required to be independently filed with the Department.

EXHIBIT 1

Original Printing
2nd Reprint

Effective ~~September 1, 2008~~ **January 1, 2015**

Standard

TERRORISM RISK INSURANCE PROGRAM REAUTHORIZATION ACT DISCLOSURE ENDORSEMENT

This endorsement addresses the requirements of the Terrorism Risk Insurance Act of 2002 as amended and extended by the Terrorism Risk Insurance Program Reauthorization Act of ~~2007~~ **2015**. It serves to notify you of certain limitations under the Act, and that your insurance carrier is charging premium for losses that may occur in the event of an Act of Terrorism.

Your policy provides coverage for workers compensation losses caused by Acts of Terrorism, including workers compensation benefit obligations dictated by state law. Coverage for such losses is still subject to all terms, definitions, exclusions, and conditions in your policy, and any applicable federal and/or state laws, rules, or regulations.

Definitions

The definitions provided in this endorsement are based on and have the same meaning as the definitions in the Act. If words or phrases not defined in this endorsement are defined in the Act, the definitions in the Act will apply.

"Act" means the Terrorism Risk Insurance Act of 2002, which took effect on November 26, 2002, and any amendments thereto, **including any amendments** resulting from the Terrorism Risk Insurance Program Reauthorization Act of ~~2007~~ **2015**.

"Act of Terrorism" means any act that is certified by the Secretary of the Treasury, in ~~concurrence with the Secretary of State, consultation with the Secretary of Homeland Security,~~ and the Attorney General of the United States as meeting all of the following requirements:

- a. The act is an act of terrorism.
- b. The act is violent or dangerous to human life, property or infrastructure.
- c. The act resulted in damage within the United States, or outside of the United States in the case of the premises of United States missions or certain air carriers or vessels.
- d. The act has been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

"Insured Loss" means any loss resulting from an act of terrorism (and, except for Pennsylvania, including an act of war, in the case of workers compensation) that is covered by primary or excess property and casualty insurance issued by an insurer if the loss occurs in the United States or at the premises of United States missions or to certain air carriers or vessels.

"Insurer Deductible" means, for the period beginning on January 1, ~~2008~~ **2015**, and ending on December 31, ~~2014~~ **2020**, an amount equal to 20% of our direct earned premiums, ~~over the calendar year~~ **during the** immediately preceding ~~calendar year.~~ **the applicable Program Year.**

~~"Program Year" refers to each calendar year between January 1, 2008 and December 31, 2014, as applicable.~~

EXHIBIT 1

WORKERS COMPENSATION AND EMPLOYERS LIABILITY INSURANCE POLICY

WC 00 04 22 **A B**

Original Printing
2nd Reprint

Effective ~~September 1, 2008~~ **January 1, 2015**

Standard

Limitation of Liability

The Act limits our liability to you under this policy. If aggregate Insured Losses exceed \$100,000,000,000 in a **Program Year calendar year** and if we have met our Insurer Deductible, we are not liable for the payment of any portion of the amount of Insured Losses that exceeds \$100,000,000,000; and for aggregate Insured Losses up to \$100,000,000,000, we will pay only a pro rata share of such Insured Losses as determined by the Secretary of the Treasury.

Policyholder Disclosure Notice

- ~~4.~~ Insured Losses would be partially reimbursed by the United States Government. If the aggregate industry Insured Losses exceed:
- a. \$100,000,000, with respect to such Insured Losses occurring in calendar year 2015, the United States Government would pay 85% of our Insured Losses that exceed our Insurer Deductible.
 - b. \$120,000,000, with respect to such Insured Losses occurring in calendar year 2016, the United States Government would pay 84% of our Insured Losses that exceed our Insurer Deductible.
 - c. \$140,000,000, with respect to such Insured Losses occurring in calendar year 2017, the United States Government would pay 83% of our Insured Losses that exceed our Insurer Deductible.
 - d. \$160,000,000, with respect to such Insured Losses occurring in calendar year 2018, the United States Government would pay 82% of our Insured Losses that exceed our Insurer Deductible.
 - e. \$180,000,000, with respect to such Insured Losses occurring in calendar year 2019, the United States Government would pay 81% of our Insured Losses that exceed our Insurer Deductible.
 - f. \$200,000,000, with respect to such Insured Losses occurring in calendar year 2020, the United States Government would pay 80% of our Insured Losses that exceed our Insurer Deductible.

~~\$100,000,000 in a Program Year, the United States Government would pay 85% of our Insured Losses that exceed our Insurer Deductible.~~

- 2. Notwithstanding item 1 above, the United States Government will not make any payment under the Act for any portion of Insured Losses that exceed \$100,000,000,000.
- 3. The premium charge for the coverage your policy provides for Insured Losses is included in the amount shown in Item 4 of the Information Page or in the Schedule below.

Schedule

State

Rate

Premium

EXHIBIT 3

NOTIFICATION ENDORSEMENT OF PENDING LAW CHANGE TO TERRORISM RISK INSURANCE PROGRAM REAUTHORIZATION ACT OF 2007

This endorsement is being sent to you with respect to your workers compensation and employers liability insurance policy. This endorsement does not replace the separate Terrorism Risk Insurance Program Reauthorization Act Disclosure Endorsement (WC 00 04 22 A) that is attached to your current policy and which remains in effect as applicable.

The Terrorism Risk Insurance Act of 2002 (TRIA) as previously amended and extended by the Terrorism Risk Insurance Program Reauthorization Act of 2007 (TRIPRA), provides for a program under which the federal government will share in the payment of insured losses caused by certain acts of terrorism. In the absence of affirmative US Congressional action to extend, update, or otherwise reauthorize TRIPRA, in whole or in part, TRIPRA is scheduled to expire December 31, 2014.

Since the timetable for any further Congressional action respecting TRIPRA is unknown at this time, and exposure to acts of terrorism remains, we are providing our policyholders with relevant information concerning their workers compensation policies in effect on or after January 1, 2014 in the event of TRIPRA's expiration.

Your policy provides coverage for workers compensation losses caused by acts of terrorism or war, including workers compensation benefit obligations dictated by state law, except in Pennsylvania where injuries or deaths resulting from certain war-related activities are excluded from workers compensation coverage. Coverage for such losses is still subject to all terms, definitions, exclusions, and conditions in your policy.

The premium charge for the coverage your policy provides for terrorism or war losses is shown in Item 4 of the Information Page or the Schedule in the Terrorism Risk Insurance Program Reauthorization Act Disclosure Endorsement (WC 00 04 22 A) that is attached to your policy, and this amount may continue or change for new, renewal, and in-force policies in effect on or after December 31, 2014 in the event of TRIPRA's expiration, subject to regulatory review in accordance with applicable state law.

You need not do anything further at this time.

This endorsement changes the policy to which it is attached and is effective on the date issued unless otherwise stated.

(The information below is required only when this endorsement is issued subsequent to preparation of the policy.)

Endorsement Effective
Insured

Policy No.

Endorsement No.
Premium:

Insurance Company

Countersigned by _____

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MINNESOTA FORMS MANUAL

The following forms and endorsements in this Minnesota Forms Manual have been approved by the Minnesota Commerce Department and are available for use in Minnesota.

- Introduction
- Workers' Compensation and Employers Liability Insurance Policy Rules
- WC 00 00 00 C Workers Compensation and Employers Liability Insurance Policy
- WC 00 01 01 A Defense Base Act Coverage Endorsement
- WC 00 01 04 A Federal Employers' Liability Act Coverage Endorsement
- WC 00 01 06 A Longshore and Harbor Workers' Compensation Act Coverage Endt
- WC 00 01 08 A Nonappropriated Fund Instrumentalities Act Coverage Endorsement
- WC 00 01 09 C Outer Continental Shelf Lands Act Coverage Endorsement
- WC 00 01 11 Migrant and Season Agricultural Worker Protection Act Coverage Endorsement
- ~~WC 00 01 14 Notification Endorsement of Pending Law Change to Terrorism Risk Insurance Program Reauthorization Act of 2007~~
- WC 00 02 01 B Maritime Coverage Endorsement
- WC 00 02 03 Voluntary Compensation Maritime Coverage Endorsement
- WC 00 02 04 Limited Maritime Coverage Endorsement
- WC 00 03 01 A Alternate Employer Endorsement
- WC 00 03 02 Designated Workplaces Exclusion Endorsement
- WC 00 03 03 C Employers Liability Coverage Endorsement
- WC 00 03 04 Insurance Company as Insured Endorsement
- WC 00 03 05 Joint Venture as Insured Endorsement
- WC 00 03 08 Partners, Officers and Others Exclusion Endorsement
- WC 00 03 09 B Rural Utilities Service Endorsement
- WC 00 03 10 Sole Proprietors, Partners, Officers and Others Coverage Endorsement
- WC 00 03 11 A Voluntary Compensation and Employers Liability Coverage Endt.
- WC 00 03 13 Waiver of Our Right to Recover from Others Endorsement
- WC 00 04 03 Experience Rating Modification Factor Endorsement
- WC 00 04 05 Policy Period Endorsement
- WC 00 04 06 A Premium Discount Endorsement

- WC 00 04 09 Premium Determination Endorsement— Former Self Insurers 1
- WC 00 04 10 Premium Determination Endorsement— Former Self Insurers 2
- WC 00 04 12 Contingent Experience Rating Modification Factor Endorsement
- WC 00 04 14 Notification of Change in Ownership Endorsement
- WC 00 04 19 Premium Due Date Endorsement
- **WC 00 04 22 A B** **Terrorism Risk Insurance Program Reauthorization Act Disclosure Endorsement**
- WC 00 05 03 C Retrospective Rating Plan Premium Endorsement— One Year Plan
- WC 00 05 04 C Retrospective Rating Plan Premium Endorsement— Three Year Plan
- WC 00 05 05 C Retrospective Rating Plan Premium Endorsement— Long-term Wrap- Up Construction Project
- WC 00 05 08 Retrospective Rating Plan Premium Endorsement Aviation Exclusion
- WC 00 05 09 A Retrospective Rating Plan Premium Endorsement Changes
- WC 00 05 10 B Retrospective Rating Plan Premium Endorsement Non- Ratable Catastrophe Element or Surcharge
- WC 00 05 11 Retrospective Rating Plan Premium Endorsement Short Form
- WC 00 05 12 C Retrospective Rating Plan Premium Endorsement One Year Plan— Multiple Lines
- WC 00 05 13 C Retrospective Rating Plan Premium Endorsement Three Year Plan— Multiple Lines
- WC 00 05 14 C Retrospective Rating Plan Premium Endorsement Long- Term Wrap-Up Construction Project — Multiple Lines
- WC 00 05 15 A Retrospective Rating Plan Premium Endorsement Flexibility Options
- WC 00 05 16 Retrospective Rating Plan Premium Endorsement— Large Risk Alternative Rating Option (LRARO)
- WC 00 06 03 Benefits Deductible Endorsement
- WC 89 06 09 C Policy Termination/ Cancellation/ Reinstatement Notice
- WC 22 00 00 A Minnesota Amendatory Endorsement
- WC 22 00 01 Information Page
- WC 22 03 01 Minnesota Compliance with Applicable Trade Sanction Laws
- WC 22 03 02 Minnesota Independent Contractors Coverage Endorsement
- WC 22 03 03 Minnesota Third Degree of Kindred Family Member Exclusion Endt.
- WC 22 03 04 Minnesota Employee Leasing Endorsement
- WC 22 03 05 Minnesota Exclusion of Coverage for Leased Employees Endorsement
- WC 22 03 06 Minnesota Alternate Employer Endorsement [Excluding Employers Liability Coverage]

- WC 22 04 01 Minnesota Contracting Premium Adjustment Program Endorsement
- WC 22 04 02 Minnesota Anniversary Rating Date Endorsement
- WC 22 06 00 Minnesota Policy Change Endorsement
- WC 22 06 01 D Minnesota Cancellation and Nonrenewal Endorsement
- WC 22 06 02 Minnesota Policy Information Page Endorsement Insured's Name
- WC 22 06 03 Minnesota Policy Information Page Endorsement Policy Number
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FILING MEMORANDUM

ITEM P-1412—TERRORISM RISK INSURANCE PROGRAM REAUTHORIZATION ACT OF 2015 ENDORSEMENTS

PURPOSE

This item revises and withdraws endorsements in NCCI's *Forms Manual of Workers Compensation and Employers Liability Insurance (Forms Manual)* as a result of the recent enactment of the Terrorism Risk Insurance Program Reauthorization Act of 2015 (TRIPRA of 2015).

BACKGROUND

The Terrorism Risk Insurance Act of 2002 ("TRIA" or the "Act") was implemented as a result of the US Congress recognizing that terrorism is a catastrophe exposure that is real and significant for insurers of workers compensation and other lines of insurance. It initially provided a temporary program under which the Federal government would share in the payment of insured losses caused by certain acts of terrorism. TRIA was scheduled to expire on December 31, 2005. It was renewed as the Terrorism Risk Insurance Extension Act (TRIEA) in 2005, and as the Terrorism Risk Insurance Program Reauthorization Act (TRIPRA) in 2007. NCCI filed several national items that proposed the necessary miscellaneous values, rules, and policy forms to implement the original TRIA and each of its renewals.

Recognizing that terrorism is a catastrophe exposure that continues to be significant for insurers of workers compensation and other lines of insurance, the US Congress enacted TRIPRA of 2015. The key provisions are as follows:

- The Act was extended for six years and will expire December 31, 2020
- An act of terrorism must be certified by the Secretary of the Treasury, in consultation with the Secretary of Homeland Security, and the Attorney General of the United States

Beginning on January 1, 2016:

- The current 85% Federal share of compensation under the Terrorism Insurance Program (Program) decreases by one percentage point per calendar year until it is equal to 80%
- The current Program trigger for aggregate industry insured losses to exceed \$100 million increases by \$20 million per calendar year until it is equal to \$200 million

The current \$27.5 billion insurance marketplace aggregate retention amount increases by \$2 billion per calendar year, beginning in 2015, until it is equal to \$37.5 billion, and is subject to further revision thereafter

PROPOSAL

To implement the changes as a result of the enactment of TRIPRA of 2015, this item proposes the following revisions to NCCI's *Forms Manual*:

1. The Terrorism Risk Insurance Program Reauthorization Act Disclosure Endorsement (WC 00 04 22 A) must be revised to:
 - Update the TRIPRA references to TRIPRA of 2015
 - Revise the definitions to conform to TRIPRA of 2015
 - Revise the Insurer Deductible provisions
 - Revise the Program trigger amounts and the Federal share of compensation provisions

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FILING MEMORANDUM

ITEM P-1412—TERRORISM RISK INSURANCE PROGRAM REAUTHORIZATION ACT OF 2015 ENDORSEMENTS

2. The Catastrophe (Other Than Certified Acts of Terrorism) Premium Endorsement (WC 00 04 21 C) must be revised to update the references to the Terrorism Risk Insurance Program Reauthorization Act Disclosure Endorsement.
3. The Notification Endorsement of Pending Law Change to Terrorism Risk Insurance Program Reauthorization Act of 2007 (WC 00 01 14) must be withdrawn. The purpose of this endorsement was to notify policyholders of the impending expiration of TRIPRA. However, with the enactment of TRIPRA of 2015, this endorsement is no longer needed.
4. The Florida Terrorism Risk Insurance Program Reauthorization Act Endorsement (WC 09 04 03 A) must be revised to:
 - Update the TRIPRA references to TRIPRA of 2015
 - Revise the definitions to conform to TRIPRA of 2015
 - Revise the Insurer Deductible provisions
 - Revise the Program trigger amounts and the Federal share of compensation provisions
5. The Texas Notification Endorsement of Pending Law Change to Terrorism Risk Insurance Program Reauthorization Act of 2007 (WC 42 01 01) must be withdrawn. The purpose of this endorsement was to notify policyholders of the impending expiration of TRIPRA. However, with the enactment of TRIPRA of 2015, this endorsement is no longer needed.

IMPACT

There will be no statewide premium impact as a result of the changes proposed in this item.

EXHIBIT COMMENTS AND IMPLEMENTATION SUMMARY

In all states except Hawaii, this item is to become effective for new, renewal, and outstanding policies effective on and after 12:01 a.m. on January 1, 2015.

In Hawaii, the effective date is determined upon regulatory approval of the individual carrier's election to adopt this change.

Exhibit	Current Endorsement Name and Number	Proposed Endorsement Name and Number
1	<ul style="list-style-type: none"> • Terrorism Risk Insurance Program Reauthorization Act Disclosure Endorsement (WC 00 04 22 A) • Does not apply in Florida; refer to Exhibit 4 for state-specific endorsement for Florida. 	<ul style="list-style-type: none"> • Terrorism Risk Insurance Program Reauthorization Act Disclosure Endorsement (WC 00 04 22 B) • Does not apply in Florida; refer to Exhibit 4 for state-specific endorsement for Florida.
2	<ul style="list-style-type: none"> • Catastrophe (Other Than Certified Acts of Terrorism) Premium Endorsement (WC 00 04 21 C) 	<ul style="list-style-type: none"> • Catastrophe (Other Than Certified Acts of Terrorism) Premium Endorsement (WC 00 04 21 D)

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FILING MEMORANDUM

ITEM P-1412—TERRORISM RISK INSURANCE PROGRAM REAUTHORIZATION ACT OF
 2015 ENDORSEMENTS

Exhibit	Current Endorsement Name and Number	Proposed Endorsement Name and Number
	<ul style="list-style-type: none"> Does not apply in AK, FL, MO, NM, TX, and VA 	<ul style="list-style-type: none"> Does not apply in AK, FL, MO, NM, TX, and VA
3	<ul style="list-style-type: none"> Notification Endorsement of Pending Law Change to Terrorism Risk Insurance Program Reauthorization Act of 2007 (WC 00 01 14). Does not apply in Florida. Instead, Form 09-Notice—Florida Notice of Pending Law Change to Terrorism Risk Insurance Program Reauthorization Act of 2007 applies in Florida. This nonfiled form was provided for carriers to use at their underwriting discretion. Since it is a nonfiled form, an exhibit to withdraw the form is not included in this item. However, the form will be removed from NCCI's <i>Forms Manual</i> effective January 1, 2015 upon approval of this item. Does not apply in Texas; refer to Exhibit 4 for state-specific endorsement for Texas. 	N/A—Withdrawn
4	<ul style="list-style-type: none"> Florida Terrorism Risk Insurance Program Reauthorization Act Endorsement (WC 09 04 03 A) Applies in Florida only 	<ul style="list-style-type: none"> Florida Terrorism Risk Insurance Program Reauthorization Act Endorsement (WC 09 04 03 B) Applies in Florida only
	<ul style="list-style-type: none"> Texas Notification Endorsement of Pending Law Change to Terrorism Risk Insurance Program Reauthorization Act of 2007 (WC 42 01 01) Applies in Texas only 	N/A—Withdrawn

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**ITEM P-1412—TERRORISM RISK INSURANCE PROGRAM REAUTHORIZATION ACT OF
2015 ENDORSEMENTS**

**EXHIBIT 1
FORMS MANUAL OF WORKERS COMPENSATION AND EMPLOYERS LIABILITY INSURANCE
TERRORISM RISK INSURANCE PROGRAM REAUTHORIZATION ACT DISCLOSURE (WC
00 04 22 B)**

**TERRORISM RISK INSURANCE PROGRAM REAUTHORIZATION ACT DISCLOSURE ENDORSEMENT
(WC 00 04 22 A B)**

This endorsement addresses the requirements of the Terrorism Risk Insurance Act of 2002 as amended and extended by the Terrorism Risk Insurance Program Reauthorization Act of ~~2007~~ 2015. It serves to notify you of certain limitations under the Act, and that your insurance carrier is charging premium for losses that may occur in the event of an Act of Terrorism.

Your policy provides coverage for workers compensation losses caused by Acts of Terrorism, including workers compensation benefit obligations dictated by state law. Coverage for such losses is still subject to all terms, definitions, exclusions, and conditions in your policy, and any applicable federal and/or state laws, rules, or regulations.

Definitions

The definitions provided in this endorsement are based on and have the same meaning as the definitions in the Act. If words or phrases not defined in this endorsement are defined in the Act, the definitions in the Act will apply.

“Act” means the Terrorism Risk Insurance Act of 2002, which took effect on November 26, 2002, and any amendments thereto, including any amendments resulting from the Terrorism Risk Insurance Program Reauthorization Act of ~~2007~~ 2015.

“Act of Terrorism” means any act that is certified by the Secretary of the Treasury, in ~~concurrence with the Secretary of State~~, consultation with the Secretary of Homeland Security, and the Attorney General of the United States as meeting all of the following requirements:

- a. The act is an act of terrorism.
- b. The act is violent or dangerous to human life, property or infrastructure.
- c. The act resulted in damage within the United States, or outside of the United States in the case of the premises of United States missions or certain air carriers or vessels.
- d. The act has been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

“Insured Loss” means any loss resulting from an act of terrorism (and, except for Pennsylvania, including an act of war, in the case of workers compensation) that is covered by primary or excess property and casualty insurance issued by an insurer if the loss occurs in the United States or at the premises of United States missions or to certain air carriers or vessels.

“Insurer Deductible” means, for the period beginning on January 1, ~~2008~~ 2015, and ending on December 31, ~~2014~~ 2020, an amount equal to 20% of our direct earned premiums, ~~over the calendar year~~ during the immediately preceding calendar year. ~~the applicable Program Year~~.

~~“Program Year” refers to each calendar year between January 1, 2008 and December 31, 2014, as applicable.~~

ITEM P-1412—TERRORISM RISK INSURANCE PROGRAM REAUTHORIZATION ACT OF 2015 ENDORSEMENTS

**EXHIBIT 1 (CONT'D)
FORMS MANUAL OF WORKERS COMPENSATION AND EMPLOYERS LIABILITY INSURANCE
TERRORISM RISK INSURANCE PROGRAM REAUTHORIZATION ACT DISCLOSURE (WC
00 04 22 B)**

Limitation of Liability

The Act limits our liability to you under this policy. If aggregate Insured Losses exceed \$100,000,000,000 in a Program Year calendar year and if we have met our Insurer Deductible, we are not liable for the payment of any portion of the amount of Insured Losses that exceeds \$100,000,000,000; and for aggregate Insured Losses up to \$100,000,000,000, we will pay only a pro rata share of such Insured Losses as determined by the Secretary of the Treasury.

Policyholder Disclosure Notice

1. Insured Losses would be partially reimbursed by the United States Government. If the aggregate industry Insured Losses exceed:
 - a. \$100,000,000, with respect to such Insured Losses occurring in calendar year 2015, the United States Government would pay 85% of our Insured Losses that exceed our Insurer Deductible.
 - b. \$120,000,000, with respect to such Insured Losses occurring in calendar year 2016, the United States Government would pay 84% of our Insured Losses that exceed our Insurer Deductible.
 - c. \$140,000,000, with respect to such Insured Losses occurring in calendar year 2017, the United States Government would pay 83% of our Insured Losses that exceed our Insurer Deductible.
 - d. \$160,000,000, with respect to such Insured Losses occurring in calendar year 2018, the United States Government would pay 82% of our Insured Losses that exceed our Insurer Deductible.
 - e. \$180,000,000, with respect to such Insured Losses occurring in calendar year 2019, the United States Government would pay 81% of our Insured Losses that exceed our Insurer Deductible.
 - f. \$200,000,000, with respect to such Insured Losses occurring in calendar year 2020, the United States Government would pay 80% of our Insured Losses that exceed our Insurer Deductible.

~~\$100,000,000 in a Program Year, the United States Government would pay 85% of our Insured Losses that exceed our Insurer Deductible.~~

2. Notwithstanding item 1 above, the United States Government will not make any payment under the Act for any portion of Insured Losses that exceed \$100,000,000,000.
3. The premium charge for the coverage your policy provides for Insured Losses is included in the amount shown in Item 4 of the Information Page or in the Schedule below.

Schedule

State	Rate	Premium
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**ITEM P-1412—TERRORISM RISK INSURANCE PROGRAM REAUTHORIZATION ACT OF
2015 ENDORSEMENTS**

**EXHIBIT 2
FORMS MANUAL OF WORKERS COMPENSATION AND EMPLOYERS LIABILITY INSURANCE
CATASTROPHE (OTHER THAN CERTIFIED ACTS OF TERRORISM) PREMIUM
ENDORSEMENT (WC 00 04 21 D)**

**CATASTROPHE (OTHER THAN CERTIFIED ACTS OF TERRORISM) PREMIUM ENDORSEMENT (WC 00
04 21 ~~G~~ D)**

This endorsement is notification that your insurance carrier is charging premium to cover the losses that may occur in the event of a Catastrophe (other than Certified Acts of Terrorism) as that term is defined below. Your policy provides coverage for workers compensation losses caused by a Catastrophe (other than Certified Acts of Terrorism). This premium charge does not provide funding for Certified Acts of Terrorism contemplated under the Terrorism Risk Insurance Program Reauthorization Act Disclosure Endorsement (~~WC 00 04 22 A~~) (WC 00 04 22 B), attached to this policy.

For purposes of this endorsement, the following definitions apply:

- Catastrophe (other than Certified Acts of Terrorism): Any single event, resulting from an Earthquake, Noncertified Act of Terrorism, or Catastrophic Industrial Accident, which results in aggregate workers compensation losses in excess of \$50 million.
- Earthquake: The shaking and vibration at the surface of the earth resulting from underground movement along a fault plane or from volcanic activity.
- Noncertified Act of Terrorism: An event that is not certified as an Act of Terrorism by the Secretary of Treasury pursuant to the Terrorism Risk Insurance Act of 2002 (as amended) but that meets all of the following criteria:
 - a. It is an act that is violent or dangerous to human life, property, or infrastructure;
 - b. The act results in damage within the United States, or outside of the United States in the case of the premises of United States missions or air carriers or vessels as those terms are defined in the Terrorism Risk Insurance Act of 2002 (as amended); and
 - c. It is an act that has been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.
- Catastrophic Industrial Accident: A chemical release, large explosion, or small blast that is localized in nature and affects workers in a small perimeter the size of a building.

The premium charge for the coverage your policy provides for workers compensation losses caused by a Catastrophe (other than Certified Acts of Terrorism) is shown in Item 4 of the Information Page or in the Schedule below.

Schedule

State	Rate	Premium
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ITEM P-1412—TERRORISM RISK INSURANCE PROGRAM REAUTHORIZATION ACT OF 2015 ENDORSEMENTS

EXHIBIT 3

**FORMS MANUAL OF WORKERS COMPENSATION AND EMPLOYERS LIABILITY INSURANCE
NOTIFICATION ENDORSEMENT OF PENDING LAW CHANGE TO TERRORISM RISK
INSURANCE PROGRAM REAUTHORIZATION ACT OF 2007 (WC 00 01 14)**

**~~NOTIFICATION ENDORSEMENT OF PENDING LAW CHANGE TO TERRORISM RISK INSURANCE
PROGRAM REAUTHORIZATION ACT OF 2007 (WC 00 04 14)~~**

~~This endorsement is being sent to you with respect to your workers compensation and employers liability insurance policy. This endorsement does not replace the separate Terrorism Risk Insurance Program Reauthorization Act Disclosure Endorsement (WC 00 04 22 A) that is attached to your current policy and which remains in effect as applicable.~~

~~The Terrorism Risk Insurance Act of 2002 (TRIA) as previously amended and extended by the Terrorism Risk Insurance Program Reauthorization Act of 2007 (TRIPRA), provides for a program under which the federal government will share in the payment of insured losses caused by certain acts of terrorism. In the absence of affirmative US Congressional action to extend, update, or otherwise reauthorize TRIPRA, in whole or in part, TRIPRA is scheduled to expire December 31, 2014.~~

~~Since the timetable for any further Congressional action respecting TRIPRA is unknown at this time, and exposure to acts of terrorism remains, we are providing our policyholders with relevant information concerning their workers compensation policies in effect on or after January 1, 2014 in the event of TRIPRA's expiration.~~

~~Your policy provides coverage for workers compensation losses caused by acts of terrorism or war, including workers compensation benefit obligations dictated by state law, except in Pennsylvania where injuries or deaths resulting from certain war-related activities are excluded from workers compensation coverage. Coverage for such losses is still subject to all terms, definitions, exclusions, and conditions in your policy.~~

~~**The premium charge for the coverage your policy provides for terrorism or war losses is shown in Item 4 of the Information Page or the Schedule in the Terrorism Risk Insurance Program Reauthorization Act Disclosure Endorsement (WC 00 04 22 A) that is attached to your policy, and this amount may continue or change for new, renewal, and in-force policies in effect on or after December 31, 2014 in the event of TRIPRA's expiration, subject to regulatory review in accordance with applicable state law.**~~

~~You need not do anything further at this time.~~

**ITEM P-1412—TERRORISM RISK INSURANCE PROGRAM REAUTHORIZATION ACT OF
2015 ENDORSEMENTS**

**EXHIBIT 4
FORMS MANUAL OF WORKERS COMPENSATION AND EMPLOYERS LIABILITY INSURANCE
FLORIDA TERRORISM RISK INSURANCE PROGRAM REAUTHORIZATION ACT
ENDORSEMENT (WC 09 04 03 B)****FLORIDA TERRORISM RISK INSURANCE PROGRAM REAUTHORIZATION ACT ENDORSEMENT
(WC 09 04 03 A B)**

This endorsement addresses requirements of the Terrorism Risk Insurance Act of 2002 as amended by the Terrorism Risk Insurance Program Reauthorization Act of ~~2007~~ 2015.

Definitions

The definitions provided in this endorsement are based on and have the same meaning as the definitions in the Act . If words or phrases not defined in this endorsement are defined in the Act, the definitions in the Act will apply.

1. "Act" means the Terrorism Risk Insurance Act of 2002, which took effect on November 26, 2002, and any amendments, including any amendments resulting from the Terrorism Risk Insurance Program Reauthorization Act of ~~2007~~ 2015.
2. "Act of Terrorism" means any act that is certified by the Secretary of the Treasury, in ~~concurrence with the Secretary of State, consultation with the Secretary of Homeland Security,~~ and the Attorney General of the United States as meeting all of the following requirements:
 - a. The act is an act of terrorism.
 - b. The act is violent or dangerous to human life, property or infrastructure.
 - c. The act resulted in damage within the United States, or outside of the United States in the case of the premises of United States missions or certain air carriers or vessels.
 - d. The act has been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.
3. "Insured Loss" means any loss resulting from an act of terrorism (including an act of war, in the case of workers compensation) that is covered by primary or excess property and casualty insurance issued by an insurer if the loss occurs in the United States or at the premises of United States missions or to certain air carriers or vessels.
4. "Insurer Deductible" means, for the period beginning on January 1, ~~2008~~ 2015, and ending on December 31, ~~2014~~ 2020, an amount equal to 20% of our direct earned premiums, ~~over the calendar year during the immediately preceding calendar year. the applicable Program Year.~~
5. "~~Program Year~~" ~~refers to each calendar year between January 1, 2008 and December 31, 2014, as applicable.~~

Limitation of Liability

The Act may limit our liability to you under this policy. If aggregate Insured Losses exceed \$100,000,000,000 in a ~~Program Year~~ calendar year and if we have met our Insurer Deductible, we may not be liable for the payment of any portion of the amount of Insured Losses that exceeds \$100,000,000,000; and for aggregate Insured Losses up to \$100,000,000,000, we may only have to pay a pro rata share of such Insured Losses as determined by the Secretary of the Treasury.

Policyholder Disclosure Notice

1. Insured Losses would be partially reimbursed by the United States Government. If the aggregate industry Insured Losses exceed:

**ITEM P-1412—TERRORISM RISK INSURANCE PROGRAM REAUTHORIZATION ACT OF
2015 ENDORSEMENTS**

**EXHIBIT 4 (CONT'D)
FORMS MANUAL OF WORKERS COMPENSATION AND EMPLOYERS LIABILITY INSURANCE
FLORIDA TERRORISM RISK INSURANCE PROGRAM REAUTHORIZATION ACT
ENDORSEMENT (WC 09 04 03 B)**

- a. \$100,000,000, with respect to such Insured Losses occurring in calendar year 2015, the United States Government would pay 85% of our Insured Losses that exceed our Insurer Deductible.
- b. \$120,000,000, with respect to such Insured Losses occurring in calendar year 2016, the United States Government would pay 84% of our Insured Losses that exceed our Insurer Deductible.
- c. \$140,000,000, with respect to such Insured Losses occurring in calendar year 2017, the United States Government would pay 83% of our Insured Losses that exceed our Insurer Deductible.
- d. \$160,000,000, with respect to such Insured Losses occurring in calendar year 2018, the United States Government would pay 82% of our Insured Losses that exceed our Insurer Deductible.
- e. \$180,000,000, with respect to such Insured Losses occurring in calendar year 2019, the United States Government would pay 81% of our Insured Losses that exceed our Insurer Deductible.
- f. \$200,000,000, with respect to such Insured Losses occurring in calendar year 2020, the United States Government would pay 80% of our Insured Losses that exceed our Insurer Deductible.

~~s \$100,000,000 in a Program Year, the United States Government would pay 85% of our Insured Losses that exceed our Insurer Deductible.~~

- 2. Notwithstanding item 1 above, the United States Government may not have to make any payment under the Act for any portion of Insured Losses that exceeds \$100,000,000,000.
- 3. The premium charged for the coverage for Insured Losses under this policy is included in the amount shown in Item 4 of the Information Page or the Schedule below.

Schedule

Rate per \$100 of Remuneration

ITEM P-1412—TERRORISM RISK INSURANCE PROGRAM REAUTHORIZATION ACT OF 2015 ENDORSEMENTS

EXHIBIT 4

**FORMS MANUAL OF WORKERS COMPENSATION AND EMPLOYERS LIABILITY INSURANCE
TEXAS NOTIFICATION ENDORSEMENT OF PENDING LAW CHANGE TO TERRORISM RISK
INSURANCE PROGRAM REAUTHORIZATION ACT OF 2007 (WC 42 01 01)**

**~~TEXAS NOTIFICATION ENDORSEMENT OF PENDING LAW CHANGE TO TERRORISM RISK
INSURANCE PROGRAM REAUTHORIZATION ACT OF 2007 (WC 42 01 01)~~**

~~This endorsement is being sent to you with respect to your workers compensation and employers liability insurance policy.~~

~~The Terrorism Risk Insurance Act of 2002 (TRIA) as previously amended and extended by the Terrorism Risk Insurance Program Reauthorization Act of 2007 (TRIPRA), provides for a program under which the federal government will share in the payment of insured losses caused by certain acts of terrorism. In the absence of affirmative US Congressional action to extend, update, or otherwise reauthorize TRIPRA, in whole or in part, TRIPRA is scheduled to expire December 31, 2014.~~

~~Since the timetable for any further Congressional action respecting TRIPRA is unknown at this time, and exposure to acts of terrorism remains, we are providing our policyholders with relevant information concerning their workers compensation policies in effect on or after January 1, 2014 in the event of TRIPRA's expiration.~~

~~Your policy provides coverage for workers compensation losses caused by acts of terrorism or war, including workers compensation benefit obligations dictated by state law. Coverage for such losses is still subject to all terms, definitions, exclusions, and conditions in your policy.~~

~~The premium charge for the coverage your policy provides for terrorism or war losses may continue or change for new, renewal, and in force policies in effect on or after December 31, 2014 in the event of TRIPRA's expiration, subject to regulatory review in accordance with applicable state law.~~

~~You need not do anything further at this time.~~