



# Terrorism Risk Insurance Program

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# Terrorism Risk Insurance Program Purpose

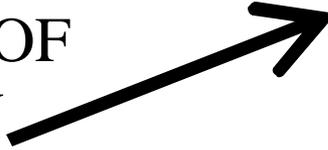
- Address Insurance Market Disruptions
- Ensure Availability Affordability Commercial P & C Terrorism Coverage
- Provide Transition Period
- Stabilize Private Market
- Build Capacity in Private Market



# Terrorism Risk Insurance Program

## Summary of Program

SECRETARY OF  
TREASURY



Certifies Act of Foreign Terrorism  
Resulting in Damage >\$5M

IN

United States

U.S. Missions

U.S. Air Carriers

U.S. Vessels

FOR

Commercial Lines P&C

Workers Compensation

SECRETARY  
OF STATE

ATTORNEY  
GENERAL



# Terrorism Risk Insurance Program

## Restrictions

- Temporary Program
  - Expires 2005
- Company Deductible
  - 2003 7% DEP
  - 2004 10% DEP
  - 2005 15% DEP

+ 10% Insured Loss
- \$100 Billion Annual Cap on Insured Losses
- Recoupment Provisions



# Terrorism Risk Insurance Program

## Treasury Offices

T.R.I.P.

Implementation

Program Management

Program Operations

Claims Management /Processing

Financial/Operational Efficiency

O.E.P.

Studies

Group Life

Individual Life

Personal Lines

2005 make available extension

F.I.P.

Interim Rules

Program

Regulations



# Terrorism Risk Insurance Program

## Progress to Date

- 4 Interim Guidance Notices
- 2 Interim Final Rules
- Proposed Rule
  - State Residual Markets
  - State Worker's Comp Funds
- Hire Executive Director



# Terrorism Risk Insurance Program

## The Future

- Recruit/Hire TRIP Staff
- Establish/Implement Claims Procedures
- Establish Audit /Enforcement Procedures
- Policy Surcharge Recoupment Procedures
- Final Rules
- Establish “Virtual” Company