



TERRORISM RISK INSURANCE PROGRAM

Data Call General Instructions

1 General Instructions

1.1 Form Overview

The Terrorism Risk Insurance Act of 2002, as amended (TRIA), requires the Secretary of the Treasury to notify Congress when the Secretary estimates that aggregate insured losses under the Terrorism Risk Insurance Program (Program) will reach \$100 billion in a calendar year. In addition, Treasury is also required to publish an estimate of aggregate insured losses to determine whether mandatory recoupment of the Federal share of compensation will be required. To meet these requirements, Treasury must first collect information from insurers regarding their aggregate insured losses.

31 CFR 50.91(d) of the Program Rules permits Treasury to issue a data call to insurers to collect insurer deductible and insured loss information year for purposes of determining initial or recalculated recoupment amounts. Similarly, 31 CFR 50.114 permits Treasury to issue a data call for purposes of determining initial or recalculated Pro Rata Loss Percentages.

Insurers should report aggregate insured losses arising out of certified acts of terrorism, divided by catastrophe code (Cat Code) and line of business, on Treasury Form TRIP 05, subject to the following general instructions. Paid losses and reserves must be reported as separate fields. Losses allocated to an insurer from a residual market mechanism should be included, and losses ceded to such a mechanism should be excluded.

All fields are required for each line (record), unless otherwise noted or instructed.

1.2 Header Information

1. **INSURER NAME** - Enter the name of the insurer for which loss information is being reported.
2. **NAIC INSURER NUMBER** - Enter the corresponding National Association of Insurance Commissioners (NAIC) number for the referenced insurer.
3. **INSURER TIN** - If the insurer referenced above does not have a NAIC number, enter the insurer's Federal taxpayer ID number (TIN).
4. **CALENDAR YEAR** - Enter the four-digit calendar year in which the event in question occurred.
5. **DATA AS OF** - Enter the "as of" date for the data provided below.
6. **DEDUCTIBLE ESTIMATE** - Provide the insurer's estimate of the insurer's deductible. This amount should be calculated in the aggregate for all affiliated insurers, attributable to the individual insurer entity submitting data in response to the data call. Although this amount serves as an estimate and not a final calculation, see Form TRIP 02B Certification of Loss Schedule A (OMB 1505-0200) for guidance on calculating this amount.

1.3 Claim Level Information

Sort information by Cat Code and then by line of business.

1. **CAT CODE** - Enter the numeric code assigned to the event by the Property Catastrophe Services unit of the Insurance Services Office (ISO).



2. **LINE OF BUSINESS CODE** - Provide the code for the line of business under which the claims have been paid, using the following table. Codes 50.0, 51.0, 52.0, and 80.0 are to be used only if the claim cannot be identified under one of the other codes. These four codes should be used to accommodate reporting of losses from alien surplus lines insurers and losses allocated to participating insurers from residual market mechanisms where there is not a one-to-one correspondence with another code.

| <u>Description</u> | <u>Code</u> |
|--|-------------|
| Fire | 1.0 |
| Allied Lines | 2.1 |
| Commercial Multi-Peril (non-liability) | 5.1 |
| Commercial Multi-Peril (liability) | 5.2 |
| Ocean Marine | 8.0 |
| Inland Marine | 9.0 |
| Workers' Compensation | 16.0 |
| Other Liability | 17.0 |
| Products Liability | 18.0 |
| Aircraft (all perils) | 22.0 |
| Boiler and Machinery | 27.0 |
| Energy | 50.0 |
| All Other Property Risks | 51.0 |
| All Other Casualty Risks | 52.0 |
| Residual Market (Multiple Coverages) | 80.0 |

3. **TOTAL CUMULATIVE LOSS PAYMENTS** - Enter the amount of cumulative loss payments to date for the calendar year, net of punitive damages paid and salvage and subrogation recovered. Do not net out reinsurance recoveries or any Federal share received under TRIA. Exclude lines of business not covered under the Program.¹ In addition, some losses within lines of business listed in number 2, above, should not to be included, specifically losses for types of insurance that do not meet the definition of commercial property and casualty insurance under TRIA, even if reported under a line of business otherwise included. If no losses have been paid, enter zero.
4. **ALAE PAID** - Enter allocated loss adjustment expense (ALAE) paid to date. Include cumulative amounts paid electronically or via check/draft as of the date of the report. Expenses incurred but not yet paid should not be included. For the Program, ALAE includes loss adjustment expenses incurred by an insurer in connection with the insured loss, and allocated and identified by claim file in insurer records, including expenses incurred in the investigation, adjustment, and defense of claims, but excluding staff salaries, overhead, and other insurer expenses that would have been incurred notwithstanding the insured loss. If no ALAE have been paid, enter zero.
5. **LOSS CASE RESERVES** - For open or re-opened claims, report the total outstanding case reserve for loss payments as of the date of this report. Calculate amounts using the guidance in number 3. If all claims are closed, enter zero.

¹ Insurance coverages specifically not subject to the Program are: Federal crop insurance issued or reinsured under the Federal Crop Insurance Act; any other type of crop or livestock insurance that is privately issued or reinsured (including crop insurance reported on either Line 2.1 – Allied Lines or Line 2.2. – Multiple Peril Crop); Line 3 – Farmowners Multiple Peril; Line 12 – Earthquake; Line 19.3 – Commercial Auto No-Fault (personal injury protection); Line 19.4 – Other Commercial Auto Liability; Line 21.2 – Commercial Auto Physical Damage; Line 24 – Surety; Line 26 – Burglary and Theft; Professional Liability insurance as defined in 31 CFR 50.4(t); private mortgage insurance; title insurance; financial guaranty insurance when issued by a monoline financial guaranty insurance corporation; medical malpractice insurance; health or life insurance, including group life insurance; Federal flood insurance; and reinsurance or retrocessional reinsurance. Workers' compensation insurance provided directly to qualified self-insureds is not reinsurance for purposes of the Program.



6. **ALAE CASE RESERVES** - For open or re-opened claims, report the total amount of ALAE reserved in association with the loss case reserves reported in number 5.
7. **LOSS IBNR** – Enter the amount of incurred but not reported (IBNR) loss expense. Calculate amounts using the guidance in number 3.
8. **ALAE IBNR** – Enter the amount of ALAE reserved in association with the loss amounts reported in number 7.
9. **TOTAL ESTIMATED LOSS AND ALLOCATED LOSS ADJUSTMENT** – Enter the total amount of loss and allocated loss adjustment expense incurred. Calculate amounts using the guidance in number 3. If there has been no determination by the Secretary of a Pro Rata Loss Percentage applicable to these losses, then this amount should be equal to the sum of numbers 3, 4, 5, 6, 7, and 8. If the Secretary has determined an applicable Pro Rata Loss Percentage, then this entry should be the total non-pro-rated amount of loss and ALAE incurred.