



HISCOX OFFERS THE  
**COURAGE**  
TO MOVE FORWARD IN  
AN UNCERTAIN WORLD.

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## Terrorism Insurance – a comparison

**Terrorism Risk Insurance Program  
Reauthorization Act (TRIPRA)  
or  
Hiscox stand alone Terrorism policy**

Which provides optimal coverage for your insured?

# Terrorism Insurance – a comparison

An all risk property policy with TRIPRA has yet to be tested by a terrorism event. Can you be sure it will respond to your client's needs?

	Stand alone Hiscox Terrorism policy	TRIPRA
<b>Policy provisions</b>	<ul style="list-style-type: none"> <li>✓ The definition of a terrorism event is clearly stated in the policy wording and covers a broad range of acts including acts committed for political, religious and ideological purposes. This forms the sole basis as to whether a loss is or is not covered.</li> <li>✓ Once a loss meets the definition of coverage, it will be covered excess of any policy deductible(s).</li> <li>✓ Hiscox's Terrorism team will underwrite and provide coverage for risks on a worldwide basis.</li> <li>✓ Clients can choose whether to insure their entire portfolio of properties or just selected locations.</li> <li>✓ Our unique relationship with Control Risks, a firm skilled in security risk assessment, crisis management and incident response, demonstrates our commitment to the coverage we provide and the service we offer to our clients.</li> </ul>	<ul style="list-style-type: none"> <li>• In order for an event to be deemed a certified act of terrorism under TRIPRA, it must be certified by both the Secretary of Treasury, after consulting with the Secretary of Homeland Security, and the Attorney General.</li> <li>• A loss will not be certified under TRIPRA unless losses resulting from the incident, in the aggregate across all potential classes, exceed \$5M. TRIPRA backstop is not triggered unless the aggregate loss exceeds \$100M for 2015, which will increase by \$20M each year starting in 2016, raising trigger to \$200M for 2020. Additionally, the insurer co-share will be raised in 1% annual increments from 15% for 2015 to 20% for 2020.</li> <li>• International assets will not be included under coverage purchased in the US.</li> <li>• In most cases, an entire portfolio must be insured under TRIPRA.</li> <li>• Clients must rely on individual loss control relationships if purchasing TRIPRA through an all risk program.</li> </ul>
<b>Pricing guidelines</b>	<ul style="list-style-type: none"> <li>✓ A stand alone Hiscox policy is priced based on analysis of risk profile and industry of an insured.</li> </ul>	<ul style="list-style-type: none"> <li>• Embedded pricing for TRIPRA coverage in an all risk program is often simply calculated as a percentage of the all risk premium.</li> </ul>
<b>Claims payment</b>	<ul style="list-style-type: none"> <li>✓ The insured receives a 'promise to pay' covered claims from an insurer with over 30 years of experience offering terrorism coverage across the globe; no government certification required.</li> <li>✓ Hiscox has more than 30 years' experience in paying terrorism claims and supporting clients, allowing them to effectively respond to a crisis. When a loss is reported, Hiscox has an experienced professional claims staff that is committed to working with clients to find the best possible outcome.</li> </ul>	<ul style="list-style-type: none"> <li>• Under TRIPRA based coverage, a loss resulting from an act of terrorism must comply with the TRIPRA definition and be certified by the government. There is no legal recourse if the insured disagrees with their decision.</li> <li>• The period of time that the US government could take to certify an event can seriously impact a company's ability to recover, especially if a claim payment is delayed in anticipation of certification. TRIPRA has been untested since its inception.</li> </ul>

## Contact information

Insurance brokers are welcome to contact us.  
Two ways to find your regional contact:

[hiscoxbroker.com/contact-us/](http://hiscoxbroker.com/contact-us/)

**Northeast:** 646 452 2353  
**Southeast:** 404 410 2800  
**Midwest:** 312 380 5555  
**Northwest:** 415 814 1455  
**Southwest:** 213 412 1210

## About Hiscox in the US

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