



June 26, 2020

**VIA SERFF**

The Honorable Trinidad Navarro  
Insurance Commissioner  
Department of Insurance  
State of Delaware  
1351 West North Street, Suite 101  
Dover, DE 19004

**Attention: Tanisha Merced, Deputy Insurance Commissioner**

**RE: DCRB Filing No. 2003 – Proposed Effective January 1, 2021  
Terrorism Risk Insurance Program Reauthorization Act of 2019 Endorsements**

**Proposed Revisions to the Pennsylvania Workers Compensation Manual of Rules,  
Classifications and Rating Values for Workers Compensation and for Employers  
Liability Insurance (Basic Manual)**

Dear Commissioner Navarro and Deputy Commissioner Merced:

On behalf of the members of the Delaware Compensation Rating Bureau, Inc. (DCRB), is a submission of a filing with proposed revisions to the Delaware Workers Compensation Manual of Rules, Classifications and Rating Values for Workers Compensation and for Employers Liability Insurance (Basic Manual). The proposed revisions provide updates on the Terrorism Risk Insurance Program Reauthorization Act (TRIPRA) endorsements. There are two previously approved endorsements being updated, and one proposed endorsement for withdrawal. These revisions are proposed to be effective 12:01 a.m., January 1, 2021 with respect to new and renewal policies.

These proposed TRIPRA endorsement revisions are intended to maintain Pennsylvania's standard workers compensation insurance policy language and forms in conformance with countrywide usage. The attached NCCI Item P-1417 filing memorandum reflects the following countrywide proposals:

- **WC 00 01 15**, Notification Endorsement of Pending Law Change to Terrorism Risk Insurance Act of 2015 is withdrawn.
- **WC 00 04 21 D**, Catastrophe (Other than Certified Acts of Terrorism) Premium Endorsement is proposed to be replaced by **WC 00 04 21 E**. The endorsement title remains the same. The endorsement has no language change only updated formatting.
- **WC 00 04 22 B**, Terrorism Risk Insurance Program Reauthorization Disclosure Act is proposed to be replaced by **WC 00 04 22 C**. The endorsement dates are updated within the document and also includes a revised approach to the "Policy Disclosure".

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The proposed endorsement revisions and withdrawal for Delaware are shown as attached

- Exhibit 1 – (WC 00 01 15 being withdrawn),
- Exhibit 2 – (WC 00 04 21 D replaced by WC 00 04 21 E),
- Exhibit 3 – and (WC 00 04 22 B replaced by WC 00 04 22 C).

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Thank you in advance for your review and attention to this filing. The DCRB is pleased to answer any questions that you or the Department of Insurance Staff may have regarding these proposals.

Sincerely,

William V. Taylor  
President

Enclosures:  
NCCI ITEM P-1417  
Proposed Basic Manual Revisions

## FILING MEMORANDUM

### ITEM P-1417—TERRORISM RISK INSURANCE PROGRAM REAUTHORIZATION ACT OF 2019 ENDORSEMENTS

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#### 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 2019 (TRIPRA of 2019).

#### 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 and 2015. NCCI filed several national item filings that proposed the necessary miscellaneous values, rules, and policy forms to implement the original TRIA and each of its renewals.

Recognizing that terrorism continues to be a catastrophe exposure, the US Congress enacted TRIPRA of 2019 on December 20, 2019. The Act was extended for seven years and will expire on December 31, 2027.

The current 80% federal share of compensation under the Terrorism Insurance Program (Program) will continue to apply to aggregate industry insured losses occurring in any calendar year that exceed \$200,000,000.

#### PROPOSAL

To implement the changes as a result of the enactment of TRIPRA of 2019, 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 B) must be revised to:
  - Update the TRIPRA references to TRIPRA of 2019
  - Revise the Program trigger amounts and the federal share of compensation provisions
  - Make minor grammatical revisions
2. The Catastrophe (Other Than Certified Acts of Terrorism) Premium Endorsement (WC 00 04 21 D) must be revised to:
  - Update the endorsement number reference of the Terrorism Risk Insurance Program Reauthorization Act Disclosure Endorsement
  - Make minor grammatical revisions
3. The Notification Endorsement of Pending Law Change to Terrorism Risk Insurance Program Reauthorization Act of 2015 (WC 00 01 15) must be withdrawn. The purpose of this endorsement is to notify policyholders of the impending expiration of TRIPRA. However, with the enactment of TRIPRA of 2019, this endorsement is no longer needed.

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FILING MEMORANDUM

**ITEM P-1417—TERRORISM RISK INSURANCE PROGRAM REAUTHORIZATION ACT OF 2019 ENDORSEMENTS**

4. The Florida Terrorism Risk Insurance Program Reauthorization Act Endorsement (WC 09 04 03 B) must be revised to:
- Update the TRIPRA references to TRIPRA of 2019
  - Revise the Program trigger amounts and the federal share of compensation provisions
  - Make minor grammatical revisions

**IMPACT**

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

**EXHIBIT COMMENTS AND IMPLEMENTATION SUMMARY\***

Exhibit	Exhibit Comments	Implementation Summary
1	<ul style="list-style-type: none"> <li>• Details the revisions to the Terrorism Risk Insurance Program Reauthorization Act Disclosure Endorsement (WC 00 04 22 B) in NCCI's <b>Forms Manual</b></li> <li>• Applies in all states except FL; refer to Exhibit 4 for state-specific endorsement for FL</li> </ul>	<ul style="list-style-type: none"> <li>• In all states except Hawaii, this item is to become effective for new and renewal policies effective on and after 12:01 a.m. on January 1, 2021</li> <li>• In Hawaii, the effective date is determined upon regulatory approval of the individual carrier's election to adopt this change</li> </ul>
2	<ul style="list-style-type: none"> <li>• Details the revisions to the Catastrophe (Other Than Certified Acts of Terrorism) Premium Endorsement (WC 00 04 21 D) in NCCI's <b>Forms Manual</b></li> <li>• Applies in all states except FL, MO, NM, TX, and VA</li> </ul>	
3	<ul style="list-style-type: none"> <li>• Details the withdrawal of the Notification Endorsement of Pending Law Change to Terrorism Risk Insurance Program Reauthorization Act of 2015 (WC 00 01 15) in NCCI's <b>Forms Manual</b>.</li> <li>• Applies in all states except FL. In FL, Form 09 A-Notice—Florida Notice of Pending Law Change to Terrorism Risk Insurance Program Reauthorization Act of 2015 applies. This nonfiled form was provided for carriers to use at their underwriting discretion. Since it is a nonfiled form in FL, an exhibit to withdraw the form is not included in this item filing. However, the form will be removed from NCCI's <b>Forms Manual</b> effective January 1, 2021.</li> </ul>	

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ITEM P-1417—TERRORISM RISK INSURANCE PROGRAM REAUTHORIZATION ACT OF  
2019 ENDORSEMENTS

Exhibit	Exhibit Comments	Implementation Summary
4	<ul style="list-style-type: none"><li>• Details the revisions to the Florida Terrorism Risk Insurance Program Reauthorization Act Endorsement (WC 09 04 03 B) in NCCI's <b>Forms Manual</b></li><li>• Applies in FL</li></ul>	

\* Independent administrative bureaus file endorsements on behalf of their members.

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**ITEM P-1417—TERRORISM RISK INSURANCE PROGRAM REAUTHORIZATION ACT OF  
2019 ENDORSEMENTS**

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**EXHIBIT 1**

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

**(Applies in: AK, AL, AR, AZ, CO, CT, DC, GA, HI, IA, ID, IL, KS, KY, LA, MD, ME, MO, MS, MT,  
NE, NH, NM, NV, OK, OR, RI, SC, SD, TN, TX, UT, VA, VT, WV)**

**Terrorism Risk Insurance Program Reauthorization Act Disclosure Endorsement (WC 00 04 22 B C)**

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 ~~2015~~ 2019. 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 ~~2015~~ 2019.

“Act of Terrorism” means any act that is certified by the Secretary of the Treasury, in 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, ~~2015~~ 2021, and ending on December 31, ~~2020~~ 2027, an amount equal to 20% of our direct earned premiums, during the immediately preceding calendar year.

**ITEM P-1417—TERRORISM RISK INSURANCE PROGRAM REAUTHORIZATION ACT OF 2019 ENDORSEMENTS**

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**EXHIBIT 1 (CONT'D)  
FORMS MANUAL OF WORKERS COMPENSATION AND EMPLOYERS LIABILITY INSURANCE  
TERRORISM RISK INSURANCE PROGRAM REAUTHORIZATION ACT DISCLOSURE  
ENDORSEMENT (WC 00 04 22 B)  
(Applies in: AK, AL, AR, AZ, CO, CT, DC, GA, HI, IA, ID, IL, KS, KY, LA, MD, ME, MO, MS, MT, NE, NH, NM, NV, OK, OR, RI, SC, SD, TN, TX, UT, VA, VT, WV)**

**Limitation of Liability**

The Act limits our liability to you under this policy. If aggregate Insured Losses exceed \$100,000,000,000 in a 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 occurring in any calendar year exceed \$200,000,000, the United States Government would pay 80% of our Insured Losses that exceed our Insurer Deductible.:-
  - 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.
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-1417—TERRORISM RISK INSURANCE PROGRAM REAUTHORIZATION ACT OF 2019 ENDORSEMENTS**

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**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)  
(Applies in: AK, AL, AR, AZ, CO, CT, DC, GA, HI, IA, ID, IL, KS, KY, LA, MD, ME, MS, MT, NE,  
NH, NV, OK, OR, RI, SC, SD, TN, UT, VT, WV)**

**Catastrophe (Other Than Certified Acts of Terrorism) Premium Endorsement (WC 00 04 21 D E)**

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 BC), 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 the 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**

<b>State</b>	<b>Rate</b>	<b>Premium</b>
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**ITEM P-1417—TERRORISM RISK INSURANCE PROGRAM REAUTHORIZATION ACT OF 2019 ENDORSEMENTS**

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**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 2015 (WC 00 01 15)**

**(Applies in: AK, AL, AR, AZ, CO, CT, DC, GA, HI, IA, ID, IL, KS, KY, LA, MD, ME, MO, MS, MT,  
NE, NH, NM, NV, OK, OR, RI, SC, SD, TN, TX, UT, VA, VT, WV)**

**Notification Endorsement of Pending Law Change to Terrorism Risk Insurance Program  
Reauthorization Act of 2015 (WC 00 04 15)**

This endorsement is being attached 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 B) 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 2015 (TRIPRA 2015), 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 2015, in whole or in part, TRIPRA 2015 is scheduled to expire on December 31, 2020.

Since the timetable for any further Congressional action regarding TRIPRA 2015 is presently unknown, and exposure to acts of terrorism remains, we are providing policyholders with relevant information concerning their workers compensation policies in the event of the TRIPRA 2015's expiration.

Your policy provides coverage for workers compensation losses caused by acts of terrorism, 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 that your policy provides for terrorism losses is shown in Item 4 of the policy information Page or the Terrorism Risk Insurance Program Reauthorization Act Disclosure Endorsement (WC 00 04 22 B) Schedule that is attached to your policy. This amount may continue or change for new, renewal, and in-force policies in effect on or after December 31, 2020, in the event of TRIPRA 2015's expiration, subject to regulatory review in accordance with applicable state law.**

You need not do anything further at this time.

**DELAWARE WORKERS COMPENSATION MANUAL OF RULES, CLASSIFICATIONS AND  
RATING VALUES FOR WORKERS COMPENSATION AND FOR EMPLOYERS LIABILITY INSURANCE**

Proposed Effective January 1, 2021

**SECTION 3**

**ENDORSEMENTS**

**WORKERS COMPENSATION AND EMPLOYERS LIABILITY INSURANCE POLICY**

**WC-00-01-15**

(Ed. 1-20)

**NOTIFICATION ENDORSEMENT OF PENDING LAW CHANGE TO TERRORISM RISK INSURANCE PROGRAM  
REAUTHORIZATION ACT OF 2015**

~~This endorsement is being attached 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-B) 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 2015 (TRIPRA 2015), 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 2015, in whole or in part, TRIPRA 2015 is scheduled to expire on December 31, 2020.~~

~~Since the timetable for any further Congressional action regarding TRIPRA 2015 is presently unknown, and exposure to acts of terrorism remains, we are providing policyholders with relevant information concerning their workers compensation policies in the event of the TRIPRA 2015's expiration.~~

~~Your policy provides coverage for workers compensation losses caused by acts of terrorism, 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 that your policy provides for terrorism losses is shown in Item 4 of the policy Information Page or the Terrorism Risk Insurance Program Reauthorization Act Disclosure Endorsement (WC-00-04-22-B) Schedule that is attached to your policy. This amount may continue or change for new, renewal, and in-force policies in effect on or after December 31, 2020, in the event of TRIPRA 2015'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 \_\_\_\_\_ Policy No. \_\_\_\_\_ Endorsement No. \_\_\_\_\_  
Insured \_\_\_\_\_ Premium: \_\_\_\_\_~~

~~Insurance Company \_\_\_\_\_ Countersigned by \_\_\_\_\_~~

**WC-00-01-15**  
(Ed. 1-20)

**DELAWARE WORKERS COMPENSATION MANUAL OF RULES, CLASSIFICATIONS AND  
RATING VALUES FOR WORKERS COMPENSATION AND FOR EMPLOYERS LIABILITY INSURANCE**

Proposed Effective January 1, 2021

**SECTION 3**

**ENDORSEMENTS**

**Workers Compensation and Employers Liability Insurance Policy**

**WC 00 04 21 DE**

**CATASTROPHE (OTHER THAN CERTIFIED ACTS OF TERRORISM) PREMIUM ENDORSEMENT**

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 BC), 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 the 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:

<b>Schedule</b>		
<b>State</b>	<b>Rate</b>	<b>Premium</b>

**DELAWARE WORKERS COMPENSATION MANUAL OF RULES, CLASSIFICATIONS AND  
RATING VALUES FOR WORKERS COMPENSATION AND FOR EMPLOYERS LIABILITY INSURANCE**

Proposed Effective January 1, 2021

**SECTION 3**

**ENDORSEMENTS**

**Workers Compensation and Employers Liability Insurance Policy**

**WC 00 04 22 BC**

**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 ~~2015~~2019. 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 ~~2015~~2019.

“Act of Terrorism” means any act that is certified by the Secretary of the Treasury, in 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, ~~2015~~2021, and ending on December 31, ~~2020~~2027, an amount equal to 20% of our direct earned premiums, during the calendar year immediately preceding calendar year.

**Limitation of Liability**

The Act limits our liability to you under this policy. If aggregate Insured Losses exceed \$100,000,000,000 in a 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.

**DELAWARE WORKERS COMPENSATION MANUAL OF RULES, CLASSIFICATIONS AND  
RATING VALUES FOR WORKERS COMPENSATION AND FOR EMPLOYERS LIABILITY INSURANCE**

Proposed Effective January 1, 2021

**SECTION 3**

**ENDORSEMENTS**

**Policyholder Disclosure Notice**

1. Insured Losses would be partially reimbursed by the United States Government. If the aggregate industry Insured Losses occurring in any calendar year exceed \$200,000,000 the United States Government would pay 80% of our Insured Losses that exceed our Insurer Deductible :
  - 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. ~~\$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.~~
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.

State	Schedule Rate	Premium
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DELAWARE WORKERS COMPENSATION MANUAL OF RULES, CLASSIFICATIONS AND RATING VALUES FOR WORKERS COMPENSATION AND FOR EMPLOYERS LIABILITY INSURANCE

Proposed Effective January 1, 2021

SECTION 3

ENDORSEMENTS

WORKERS COMPENSATION AND EMPLOYERS LIABILITY INSURANCE POLICY

EXHIBIT 1  
WC 00-01-15

{Ed. 1-20}

**NOTIFICATION ENDORSEMENT OF PENDING LAW CHANGE TO TERRORISM RISK INSURANCE PROGRAM REAUTHORIZATION ACT OF 2015**

This endorsement is being attached 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-B) 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 2015 (TRIPRA 2015), 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 2015, in whole or in part, TRIPRA 2015 is scheduled to expire on December 31, 2020.

Since the timetable for any further Congressional action regarding TRIPRA 2015 is presently unknown, and exposure to acts of terrorism remains, we are providing policyholders with relevant information concerning their workers compensation policies in the event of the TRIPRA 2015's expiration.

Your policy provides coverage for workers compensation losses caused by acts of terrorism, 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 that your policy provides for terrorism losses is shown in Item 4 of the policy Information Page or the Terrorism Risk Insurance Program Reauthorization Act Disclosure Endorsement (WC 00-04-22-B) Schedule that is attached to your policy. This amount may continue or change for new, renewal, and in-force policies in effect on or after December 31, 2020, in the event of TRIPRA 2015'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 \_\_\_\_\_ Policy No. \_\_\_\_\_ Endorsement No. \_\_\_\_\_  
Insured \_\_\_\_\_ Premium: \_\_\_\_\_  
Insurance Company \_\_\_\_\_ Countersigned by \_\_\_\_\_

**DELAWARE WORKERS COMPENSATION MANUAL OF RULES, CLASSIFICATIONS AND  
RATING VALUES FOR WORKERS COMPENSATION AND FOR EMPLOYERS LIABILITY INSURANCE**

Proposed Effective January 1, 2021

**SECTION 3**

**ENDORSEMENTS**

**EXHIBIT 2**

**Workers Compensation and Employers Liability Insurance Policy**

**WC 00 04 21 E**

**CATASTROPHE (OTHER THAN CERTIFIED ACTS OF TERRORISM) PREMIUM ENDORSEMENT**

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 C), 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 the 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:

	<b>Schedule</b>	
<b>State</b>	<b>Rate</b>	<b>Premium</b>

**DELAWARE WORKERS COMPENSATION MANUAL OF RULES, CLASSIFICATIONS AND  
RATING VALUES FOR WORKERS COMPENSATION AND FOR EMPLOYERS LIABILITY INSURANCE**

Proposed Effective January 1, 2021

**SECTION 3**

**ENDORSEMENTS**

**EXHIBIT 3**

**Workers Compensation and Employers Liability Insurance Policy**

**WC 00 04 22 C**

**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 2019. 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 2019.

“Act of Terrorism” means any act that is certified by the Secretary of the Treasury, in 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, 2021, and ending on December 31, 2027, an amount equal to 20% of our direct earned premiums, during the calendar year immediately preceding calendar year.

**Limitation of Liability**

The Act limits our liability to you under this policy. If aggregate Insured Losses exceed \$100,000,000,000 in a 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.



**DELAWARE WORKERS COMPENSATION MANUAL OF RULES, CLASSIFICATIONS AND RATING VALUES FOR WORKERS COMPENSATION AND FOR EMPLOYERS LIABILITY INSURANCE**

Proposed Effective January 1, 2021

**SECTION 3**

**ENDORSEMENTS**

**EXHIBIT 3**

**Policyholder Disclosure Notice**

1. Insured Losses would be partially reimbursed by the United States Government. If the aggregate industry Insured Losses occurring in any calendar year exceed \$200,000,000 the United States Government would pay 80% 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.

<b>State</b>	<b>Schedule Rate</b>	<b>Premium</b>
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