

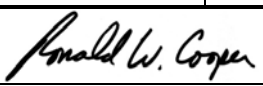
Property & Casualty Transmittal Document

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|---|---|--|
| 1. Reserved for Insurance Dept. Use Only | 2. Insurance Department Use only | |
| | a. Date the filing is received: | |
| | b. Analyst: | |
| | c. Disposition: | |
| | d. Date of disposition of the filing: | |
| | e. Effective date of filing: | |
| | New Business | |
| | Renewal Business | |
| | f. State Filing #: | |
| | g. SERFF Filing #: | |
| h. Subject Codes | | |

| | | | | | |
|-----------|--|---------------------|---------------|---------------|----------------|
| 3. | Group Name Indiana Compensation Rating Bureau | Group NAIC # | | | |
| | Indiana Compensation Rating Bureau | N/A | | | |
| 4. | Company Name(s) | Domicile | NAIC # | FEIN # | State # |
| | Indiana Compensation Rating Bureau | IN | N/A | 35-0837318 | 13 |
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| 5. | Company Tracking Number | P-1405 |
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Contact Info of Filer(s) or Corporate Officer(s) [include toll-free number]

| | | | | | |
|-----------|---------------------------------------|--------------|--|--------------------|------------------|
| 6. | Name and address | Title | Telephone #s | FAX # | e-mail |
| | Ronald W. Cooper | President | 800.622.4208 X 301 | 317 - 842- 2867 | rcooper@icrb.net |
| | | | | | |
| 7. | Signature of authorized filer | |  | | |
| 8. | Please print name of authorized filer | | Ronald W. Cooper | | |

Filing information (see General Instructions for descriptions of these fields)

| | | |
|------------|---|--|
| 9. | Type of Insurance (TOI) | Workers' Compensation |
| 10. | Sub-Type of Insurance (Sub-TOI) | |
| 11. | State Specific Product code(s)(if applicable)[See State Specific Requirements] | |
| 12. | Company Program Title (Marketing title) | |
| 13. | Filing Type | <input type="checkbox"/> Rate/Loss Cost <input checked="" type="checkbox"/> Rules <input type="checkbox"/> Rates/Rules <input type="checkbox"/> Forms <input type="checkbox"/> Combination Rates/Rules/Forms <input type="checkbox"/> Withdrawal <input type="checkbox"/> Other (give description) |
| 14. | Effective Date(s) Requested | New: January 1, 2008 Renewal: January 1, 2008 |
| 15. | Reference Filing? | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| 16. | Reference Organization (if applicable) | |
| 17. | Reference Organization # & Title | |
| 18. | Company's Date of Filing | January 3, 2008 |
| 19. | Status of filing in domicile | <input type="checkbox"/> Not Filed <input type="checkbox"/> Pending <input type="checkbox"/> Authorized <input type="checkbox"/> Disapproved |

Property & Casualty Transmittal Document—

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| 20. | This filing transmittal is part of Company Tracking # | |
| 21. | Filing Description [This area can be used in lieu of a cover letter or filing memorandum and is free-form text] | |

Please see cover letter for Item Filing P-1405, Terrorism Risk Insurance Program Reauthorization Act of 2007 Endorsements

[illegible]

***Refer to the each state's checklist for additional state specific requirements (i.e. # of additional copies required, other state specific forms, etc.)

FORM FILING SCHEDULE

(This form must be provided ONLY when making a filing that includes forms)

(Do not refer to the body of the filing for the forms listing, unless allowed by state.)

| | | | | | |
|-----------|---|--|---|--|---|
| 1. | This filing transmittal is part of Company Tracking # | | | | |
| 2. | This filing corresponds to rate/rule filing number (Company tracking number of rate/rule filing, if applicable) | | | | |
| 3. | Form Name /Description/Synopsis | Form # Include edition date | Replacement Or withdrawn? | If replacement, give form # it replaces | Previous state filing number, if required by state |
| 01 | Terrorism Risk Insurance Extension Act Endorsement | WC 00 01 13 A | <input type="checkbox"/> New <input checked="" type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn | WC 00 01 13 | |
| 02 | Domestic Terrorism, Earthquakes, and Catastrophic Industrial Accidents Premium Endorsement (| WC 00 04 21 B | <input type="checkbox"/> New <input checked="" type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn | WC 00 04 21 A | |
| 03 | | | <input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn | | |
| 04 | | | <input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn | | |
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| 06 | | | <input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn | | |
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| 09 | | | <input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn | | |
| 10 | | | <input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn | | |

PC FFS-1

INDIANA COMPENSATION RATING BUREAU

5920 Castleway West Drive • Indianapolis, Indiana 46250

P.O. Box 50400 • 800.622.4208

317.842.2800 • Fax: 317.842.3717 • www.icrb.net

FILED

JAN 03 2008

**STATE OF INDIANA
DEPT. OF INSURANCE**



January 3, 2008

Honorable Jim Atterholt
Commissioner of Insurance
Indiana Department of Insurance
311 West Washington Street, Suite 300
Indianapolis, IN 46204-2287

**Re: Item P-1405 —Terrorism Risk Insurance Program Reauthorization Act of 2007
Endorsements**

Dear Commissioner Atterholt:

This filing is made on behalf of the members and subscribers of the Indiana Compensation Rating Bureau who are now writing or will write workers compensation insurance in Indiana. This filing is to become effective 12:01 a.m., January 1, 2008.

On December 26, 2007, President Bush signed the Terrorism Risk Insurance Program Reauthorization Act of 2007 (TRIPRA) that extends the federal backstop for terrorism exposure until December 31, 2014.

The purpose of this item is to update two endorsements in the *Forms Manual of Workers Compensation and Employers Liability Insurance* as a result of the passage of TRIPRA. Specifically, we propose to revise the:

- Terrorism Risk Insurance Extension Act Endorsement (WC 00 01 13) to:
 - a. Change the reference of TRIEA to TRIPRA
 - b. Revise the definition of "act of terrorism" to include domestic terrorism
 - c. Update the insurer deductible provisions
 - d. Define "program year"
 - e. Disclose the \$100,000,000,000 cap as required by Section 4 of TRIPRA, and
 - f. Update the existing disclosures
- Domestic Terrorism, Earthquakes, and Catastrophic Industrial Accidents Premium Endorsement (WC 00 04 21 A) to reflect that the domestic terrorism premium applies to all acts of domestic terrorism.

This filing is national in nature and therefore displays information about implementation in other states. However, for Indiana, there are no special exceptions.

Note: A companion to this filing is Item B-1405— Terrorism Risk Insurance Program Reauthorization Act of 2007 which we will file separately.

Sincerely,

Ronald W. Cooper, CWCP
President

Enc: Filing Memorandum, Item P-1405

INDIANA COMPENSATION RATING BUREAU

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January 3, 2008

Honorable Jim Atterholt
Commissioner of Insurance
Indiana Department of Insurance
311 West Washington Street, Suite 300
Indianapolis, IN 46204-2287

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Endorsements**

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Sincerely,

Ronald W. Cooper, CWCP
President

Enc: Filing Memorandum, Item P-1405

FILING MEMORANDUM

ITEM P-1405—TERRORISM RISK INSURANCE PROGRAM REAUTHORIZATION ACT OF 2007 ENDORSEMENTS

(To be effective 12:01 a.m. on January 1, 2008 applicable to new and renewal policies.)

PURPOSE

This item updates the Terrorism Risk Insurance Extension Act Endorsement (WC 00 01 13), and the Domestic Terrorism, Earthquakes, and Catastrophic Industrial Accidents Premium Endorsement (WC 00 04 21 A) to reflect certain changes required by the Terrorism Risk Insurance Program Reauthorization Act of 2007 .

BACKGROUND

The Terrorism Risk Insurance Act of 2002 was implemented as a result of the United States Congress (Congress) recognizing that terrorism is a catastrophe exposure that is real and significant for insurers of workers compensation and other lines of insurance. Items B-1383, B-1393, B-1398, and P-1392 were subsequently filed to implement the Terrorism Risk Insurance Act of 2002, and to provide miscellaneous values for foreign terrorism and domestic terrorism.

The Terrorism Risk Insurance Act of 2002 ("TRIA" or the "Act") was scheduled to expire on December 31, 2005. Prior to the expiration of that Act, Congress passed the Terrorism Risk Insurance Extension Act of 2005 ("TRIEA"), which is scheduled to expire on December 31, 2007. Item P-1404 was subsequently filed to implement the disclosure requirements of the Terrorism Risk Insurance Extension Act of 2005.

Recognizing that terrorism is a catastrophe exposure that continues to be significant for insurers of workers compensation and other lines of insurance, Congress has now enacted the Terrorism Risk Insurance Program Reauthorization Act of 2007 ("TRIPRA"), which makes several amendments to the Act including:

- Amending the definition of "act of terrorism" to remove "acting on behalf of any foreign person or foreign interest"
- Extending the Act to December 31, 2014
- Requiring insurers to provide a clear and conspicuous disclosure of the \$100,000,000,000 cap

PROPOSAL

It is proposed that the Terrorism Risk Insurance Extension Act Endorsement (WC 00 01 13) be revised to:

- a. Change the reference of TRIEA to TRIPRA
- b. Revise the definition of "act of terrorism" to include domestic terrorism
- c. Update the insurer deductible provisions
- d. Define "program year"
- e. Disclose the \$100,000,000,000 cap as required by Section 4 of TRIPRA, and
- f. Update the existing disclosures

It is also proposed that the Domestic Terrorism, Earthquakes, and Catastrophic Industrial Accidents Premium Endorsement (WC 00 04 21 A) be revised to reflect that the domestic terrorism premium applies to all acts of domestic terrorism.

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FILING MEMORANDUM

ITEM P-1405—TERRORISM RISK INSURANCE PROGRAM REAUTHORIZATION ACT OF 2007 ENDORSEMENTS

IMPACT

There is no change in premium as a result of this item.

IMPLEMENTATION

The attached exhibits outline the changes required to the Terrorism Risk Extension Act Endorsement and the Domestic Terrorism, Earthquakes, and Catastrophic Industrial Accidents Premium Endorsement, which will be located in NCCI's ***Forms Manual of Workers Compensation and Employers Liability Insurance***.

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ITEM P-1405—TERRORISM RISK INSURANCE PROGRAM REAUTHORIZATION ACT OF 2007 ENDORSEMENTS

EXHIBIT 1**FORMS MANUAL OF WORKERS COMPENSATION AND EMPLOYERS LIABILITY INSURANCE****TERRORISM RISK INSURANCE ~~EXTENSION~~ PROGRAM REAUTHORIZATION ACT ENDORSEMENT
(WC 00 01 13 A)**

This endorsement addresses the requirements of the Terrorism Risk Insurance Act of 2002 as amended and extended by the ~~Terrorism Risk Insurance Extension Act of 2005~~ Terrorism Risk Insurance Program Reauthorization Act of 2007.

Definitions

The definitions provided in this endorsement are based on ~~and have the same meaning as~~ the definitions in the Act ~~and are intended to have the same meaning~~. 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 resulting from the ~~Terrorism Risk Insurance Extension Act of 2005~~ Terrorism Risk Insurance Program Reauthorization Act of 2007.

“Act of Terrorism” means any act that is certified by the Secretary of the Treasury, in concurrence with the Secretary of State, 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 ~~acting on behalf of any foreign person or foreign interest~~, 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 terrorism or war~~ 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.

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

- a. ~~For the period beginning on November 26, 2002 and ending on December 31, 2002, an amount equal to 1% of our direct earned premiums, as provided in the Act, over the calendar year immediately preceding November 26, 2002.~~
- b. ~~For the period beginning on January 1, 2003 and ending on December 31, 2003, an amount equal to 7% of our direct earned premiums, as provided in the Act, over the calendar year immediately preceding January 1, 2003.~~
- c. ~~For the period beginning on January 1, 2004 and ending on December 31, 2004, an amount equal to 10% of our direct earned premiums, as provided in the Act, over the calendar year immediately preceding January 1, 2004.~~
- d. ~~For the period beginning on January 1, 2005 and ending on December 31, 2005, an amount equal to 15% of our direct earned premiums, as provided in the Act, over the calendar year immediately preceding January 1, 2005.~~

ITEM P-1405—TERRORISM RISK INSURANCE PROGRAM REAUTHORIZATION ACT OF 2007 ENDORSEMENTS

EXHIBIT 1 (CONT'D)**FORMS MANUAL OF WORKERS COMPENSATION AND EMPLOYERS LIABILITY INSURANCE**

~~e. For the period beginning on January 1, 2006 and ending on December 31, 2006, an amount equal to 17.5% of our direct earned premiums, as provided in the Act, over the calendar year immediately preceding January 1, 2006.~~

~~f. For the period beginning on January 1, 2007 and ending on December 31, 2007, an amount equal to 20% of our direct earned premiums, as provided in the Act, over the calendar year immediately preceding January 1, 2007.~~

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

Limitation of Liability

The Act ~~may~~ limits our liability to you under this policy. If annual aggregate Insured terrorism or war Losses of all insurers exceed \$100,000,000,000 in a Program Year during the applicable period provided in the Act, 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, ~~the amount we will pay for insured terrorism or war losses under this policy will be limited only~~ a pro rata share of such Insured Losses by the Act, as determined by the Secretary of the Treasury.

Policyholder Disclosure Notice

- ~~1. Insured terrorism or war Losses would be partially reimbursed by the United States Government under a formula established by the Act. Under this formula, If the aggregate industry Insured Losses exceeds \$100,000,000 in a Program Year, the United States Government would pay 90% for Program Year 4 and 85% for Program Year 5 85% of our Insured Losses that exceed ing 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 exceeds \$100,000,000,000.
3. The premiums charged for the coverage this policy provides for Insured terrorism or war Losses under this policy ~~are~~ included in the amounts shown in Item 4 of the Information Page or in the Schedules in the Domestic Terrorism, Earthquakes, and Catastrophic Industrial Accidents Premium Endorsement (WC 00 04 21 B) and the Foreign Terrorism Premium Endorsement (WC 00 04 22), attached to this policy.

ITEM P-1405—TERRORISM RISK INSURANCE PROGRAM REAUTHORIZATION ACT OF 2007 ENDORSEMENTS

EXHIBIT 2**FORMS MANUAL OF WORKERS COMPENSATION AND EMPLOYERS LIABILITY INSURANCE****DOMESTIC TERRORISM, EARTHQUAKES, AND CATASTROPHIC INDUSTRIAL ACCIDENTS PREMIUM ENDORSEMENT (WC 00 04 21 AB)**

This endorsement is notification that your insurance carrier is charging premium to cover the losses that may occur in the event of domestic terrorism, earthquakes, and/or a catastrophic industrial accident.

Your policy provides coverage for workers compensation losses caused by acts of domestic terrorism, earthquakes, and/or catastrophic industrial accident 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.

The premium charge provides funding for the risk of earthquakes, catastrophic industrial accidents, and ~~certain acts of domestic terrorism. It does not provide funding for acts of terrorism certified as such by the Terrorism Risk Insurance Act of 2002 and any amendments resulting from the Terrorism Risk Insurance Extension Act of 2005 (the Act), or acts of foreign terrorism as that term is defined in the Foreign Terrorism Premium Endorsement (WC 00 04 22), attached to this policy.~~

For purposes of this endorsement, the following definitions apply:

- Domestic Terrorism: All acts of terrorism, ~~certified (as defined in the Terrorism Risk Insurance Act of 2002), or non-certified, that are outside the scope of the Act or the Foreign Terrorism Premium Endorsement (WC 00 04 22), with and where aggregate workers compensation losses are 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 where aggregate workers compensation losses from the single event are in excess of \$50 million.
- Catastrophic Industrial Accident: Any single event resulting in aggregate workers compensation losses in excess of \$50 million.

Schedule

Payroll

Rate