Terrorism Reauthorization Update

When the federal “Terrorism Risk Insurance Reauthorization Act of 2007” expired on December 31, 2014, it left a 12-day window of uncertainty for the insurance industry until the Act was reauthorized into law on January 12, 2015. The Treasury Department has provided carriers and rating organizations with guidance for addressing the potential 12-day lapse of coverage.

Carriers have been asked to provide policyholders with a written notice of their intent not to exercise the conditional exclusion that could have been activated between 1/1/2015 and 1/12/2015 on policies in which the conditional exclusion has been attached.

The attached letter will be mailed to impacted policyholders beginning 04/10/2015.

Frankenmuth Insurance Letter: http://fminsdev.wpengine.com/agpages/publicdocs/2015ForbearanceLetterFI.pdf

Patriot Insurance Letter: http://fminsdev.wpengine.com/agpages/publicdocs/2015ForbearanceLetterPatriot.pdf

We have revised our terrorism endorsements, exclusions and disclosures to include updated TRIPRA language. All policies issued or renewing after 1/1/2015 will receive updated documents upon their next endorsement or renewal.

If you have any questions please contact your underwriter.