



## TERRORISM RISK INSURANCE PROGRAM

### Schedule C

### Bordereau

### General Instructions

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#### 1 General Instructions

##### 1.1 Form Overview

The purpose of Schedule C (commonly known in the insurance industry as a Bordereau) is to provide the necessary underlying claim information that substantiates and supports the initial and supplementary Certifications of Loss. The combination of these reports and certifications will promote the prompt payment of insurer submissions and provide the information needed for control purposes. Descriptions for each data element and field follow. ALL fields are required for each line (record), unless otherwise noted. Although reserve information is to be included in this report, all requests for payment of the Federal share of compensation must be based on claim amounts already paid or to be paid as specified in 31 C.F.R. 50.73(b)(2)(i), and not based on reserves. Only claims arising from Program Trigger events are to be reported on the Bordereau. All underlying claims must be reported, including those that fall within the insurer deductible.

In the case of workers' compensation, claim information on the Bordereau is to be reported at the policy level, not at the individual claimant level. Up to three lines will be used for reporting claim information under a policy (at the policy level regardless of the number of individual claimants); information should be reported, where applicable, for medical only, medical portion of indemnity, and indemnity portion of indemnity.

An insurer that is participating in a residual market mechanism (RMA) and is reporting losses that have been allocated to the insurer from the RMA will report the information as one claim record on the Bordereau. In the case of workers' compensation, such an insurer will report up to three lines, breaking out medical only, medical portion of indemnity, and indemnity portion of indemnity. The name of the RMA is to be reported as the "insured name".

##### 1.2 Header Information

1. **INSURER OR INSURER GROUP NAME** - Enter the name of the controlling insurer or group under which all Direct Earned Premium and Terrorism Risk Insurance Act (TRIA) deductibles are being accumulated.
2. **NAIC INSURER (OR GROUP) NUMBER** - Enter the corresponding National Association of Insurance Commissioners (NAIC) number for the referenced insurer or group.
3. **TIN (IF NO NAIC #)** - 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 for the certified act(s) of terrorism from which the losses arise.
5. **DATA AS OF** - Enter the "as of" date for the information compiled below.

##### 1.3 Claim Level Information

Sort information by catastrophe code (CAT), and then line of business (LOB).

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



2. **LOB CODE - Line of Business** - Provide the code for the line of business under which the claim is being 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 will 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. **LOC OF LOSS/STATE CD** - Enter location of loss by state or territory, using the two-character alpha code for the state or U.S. territory where the loss occurred. (American Samoa = AS; Guam = GU; Puerto Rico = PR; U.S. Virgin Islands = VI; Northern Mariana Islands = MP). If more than one state or territory is involved, use the state or territory where the majority of the losses occurred. For losses occurring in other U.S. territories or possessions not listed herein, use OT. For losses occurring on the premises of any United States mission, use UM. Use AC for an air carrier or FV for a U.S. flag vessel if not located in a state, territory, or U.S. mission at the time of loss. If reporting losses from a residual market entity, enter state of coverage.
4. **DOL – Date of Loss (MM/DD/YYYY)** - Date of Loss - Enter the date of loss in numeric format-month/day/year.
5. **INSURER NUMBER** - Enter the insurer's NAIC number (or TIN if no NAIC #) for the insurer that issued the policy under which a claim was made or is reporting an allocation of residual market losses. Maximum field length is 9 characters.
6. **INSURER NAME** - Enter the name of the insurer that issued the policy under which a claim was made or is reporting an allocation of residual market losses. Maximum field length is 100 characters.
7. **CLAIM #** - Enter the insured's claim number (alpha and/or numeric). If reporting losses allocated from a residual market mechanism, enter "RMA" or use RMA as a prefix to any insurer-assigned tracking identifier. In the case of workers' compensation, because claim information on this Bordereau is reported at the policy level, a primary or overall claim number is to be reported or, alternatively, the policy number may be reported. Maximum field length is 25 characters.
8. **INSURED NAME** - Enter the name of the insured as this information appears on the policy, the first-named insured, or a similar reference as reflected in the insurer's system. In reporting losses allocated from a residual market mechanism, identify the mechanism here and include the date of allocation by the residual market mechanism. Maximum field length is 50 characters.
9. **INSURED TIN** - Enter the Federal taxpayer ID number of the insured, if available. If not available, leave blank. Maximum field length is 9 characters.



10. **EFF DT** - Effective date. Enter the effective date of the policy term in which the loss occurred in numeric format - month/day/year. If reporting an allocation of residual market losses, leave blank.
11. **EXP DT** - Expiration date. Enter the expiration date of the policy term in which the loss occurred in numeric format - month/day/year. If reporting an allocation of residual market losses, leave blank.
12. **WC INDICATOR** - Workers' compensation information must be reported separately by medical only (MO), medical portion of indemnity, (MI) and indemnity portion of indemnity (II). If all three categories are applicable to a claim, three separate records should be reported for the same claim number (one line for each indicator). If any of the indicators are not applicable, do not report a record for that indicator. If not a workers' compensation claim, leave this field blank.
13. **NUMBER OF WC CLAIMANTS** - For each of the records with a unique WC Indicator (MO, MI, II) named above, enter the corresponding number of claimants by category. If not a workers compensation claim, enter a zero.
14. **PRIOR CUMULATIVE LOSS PAYMENTS** - Enter the amount from Field 16, "Total Cumulative Loss Payments", from the immediately prior Bordereau for this claim. If claim is being reported for the first time, enter a zero.
15. **CURRENT LOSS PAYMENT INFORMATION** -
  - a. **LOSS PAID AMOUNT** - Gross dollar amount paid since the previous Bordereau submission (do not include amounts from the previous Bordereau that were included as "Loss to be Paid Amount"). Enter the amounts paid electronically or via check/draft as of the date of the report. Do not include reserve amounts or deductible amounts that are the responsibility of the insured, allocated loss adjustment expenses (ALAE), extra contractual obligations, or amounts paid in excess of policy limits. The amount paid must include any punitive damages paid and is prior to any netting of salvage or subrogation recovery amounts. If there have been no losses paid since the previous Bordereau submission, enter zero.
  - b. **LOSS TO BE PAID AMOUNT** - The gross dollar amount that has already been determined and that will be paid within five business days after receipt of the Federal share of compensation. Do not include reserve amounts or deductible amounts that are the responsibility of the insured, ALAE, extra contractual obligations, or amounts paid excess of policy limits. The amount to be paid must include any punitive damages to be paid and is prior to any netting of salvage or subrogation recovery amounts. If this field is not applicable, enter zero.
16. **TOTAL CUMULATIVE LOSS PAYMENTS** - This field is the sum of fields 14, 15a, and 15b. Enter the total amount of payments cumulatively paid or to be paid within five days of receipt of the Federal share of compensation.
17. **PUNITIVE DMG PD** - Punitive damages paid. Enter the cumulative amount of any punitive damages that have been paid or are to be paid as part of the "Loss to be Paid Amount" on this claim. Total "Punitive Damages Paid" will be subtracted from loss payments on the Certification of Loss. If no punitive damages have been paid, enter zero.
18. **ALAE PAID** - Allocated Loss Adjustment Expense. Enter allocated loss adjustment expense 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 Terrorism Risk Insurance Program (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 has been paid, enter zero. In the case of workers' compensation claims, ALAE should be reported for each of the MO, MI, and II categories. If an insurer cannot



distinguish ALAE for MI and II, then the total amount should be reported in one category or the other, but not in both.

19. **SALV RECOVERD** - Salvage recovered. Enter the net dollar amount of salvage recoveries booked as of the date of this report. Expenses (other than those included in ALAE) that are directly related to recovery of any salvage are to be subtracted from gross recoveries. If the insurer does not capture salvage and subrogation information separately, then enter zero.
20. **SUBRO RECOVERD** - Subrogation recovered- Enter the net dollar amount of the subrogation recoveries booked as of the date of this report. Expenses (other than those included in ALAE) that are directly related to any subrogation recovery are to be subtracted from gross recoveries. If the insurer does not capture salvage and subrogation information separately, enter zero.
21. **SALV/SUBRO RECOVERD** - Enter the net dollar amount of salvage and subrogation recoveries booked as of the date of this report. Expenses (other than those included in ALAE) that are directly related to recovery of any salvage and subrogation are to be subtracted from gross recoveries. If salvage and subrogation have been reported separately under fields 19 and 20, then this field is the sum of those two fields. Total "Salvage and Subrogation Recovered" will be subtracted from loss payments on the Certification of Loss. If there are no salvage or subrogation recoveries booked as of the date of this report, enter zero.
22. **REINS RECVRBLE** - Reinsurance Recoverable- If reinsurance recoveries have been or are expected to be received for this claim, enter **Y** (Yes). Otherwise, enter **N** (No).
23. **DUPLICATE FEDERAL COMP** - Pursuant to 31 CFR 50.71(b)(2), each insurer must inquire of its policyholders, insureds, and/or claimants regarding duplicate Federal compensation for the insured loss. Based on the response to the insurer, this element is an indicator for whether the person receiving insurance proceeds for this loss: (1) has received, or expects to receive, based on an already approved application, duplicate compensation from another Federal program (enter **Y**); (2) will possibly receive future duplicate compensation (e.g., the application is not yet approved) from another Federal program (enter **P**); or (3) has no possibility of duplicate compensation (enter **N**).
24. **AMT ONE OF DUPLI FED COMP** - If Duplicate Federal Compensation is "Y", enter the dollar amount of compensation that the insured or claimant has identified as duplicative of the insured loss amount. Otherwise, enter zero. If there is more than one source of duplicate payments, enter the largest amount in this field.
25. **SOURCE ONE OF FED COMP** - If Duplicate Federal Compensation is "Y" or "P", enter the 3-letter code for the Federal source of the duplicate compensation. Possible values are: FEM (FEMA/Dept. of Homeland Security); HUD (Dept. of Housing and Urban Development); SBA (Small Business Administration); DOT (Dept. of Transportation); HHS (Dept. of Health and Human Services); DOL (Dept. of Labor); AGR (Dept. of Agriculture); or OTH (other). If there is more than one source of duplicate compensation, enter the source of the amount identified in field 24. If Duplicate Federal Compensation is "N", then leave blank.
26. **AMT TWO OF DUPLI FED COMP** - If Duplicate Federal Compensation is "Y", and there is more than one source, then enter the remaining dollar amount of compensation that the insured or claimant has identified as duplicative of the insured loss amount that has not already been included in field 24. Otherwise, enter zero.
27. **SOURCE TWO OF FED COMP** - If Duplicate Federal Compensation is "Y" or "P", and if there are multiple sources, enter the 3-letter code (see field 25) for the source of the next largest amount received or expected to be received. If Duplicate Federal Compensation is "N" (or "Y" or "P", but from only one source), leave blank.
28. **THIRD PARTY INDICATOR** - Indicate if this claim involves a third-party claimant, i.e., an underlying claim of liability against the policyholder. Enter **Y** (Yes) or **N** (No). If reporting workers' compensation, leave blank.



29. **CLAIM STATUS** - Indicator for claim status as of the date of the report. Possible values are: **O** (open), **C** (closed), or **R** (reopened). For workers' compensation, report claim status at the policy level by WC Indicator (field 12). If reporting an allocation of residual market losses, leave blank.
30. **RESERVES** - For open or reopened claims, report the total outstanding case reserve as of the date of this report, including both loss and ALAE. For closed claims, enter zero. Amounts reported for total case reserve should reflect reductions for any amounts paid or to be paid for loss or ALAE reported on this Bordereau.

#### 1.4 **Pro Rata Loss Percentage**

The following data fields must be populated if the Secretary of the Treasury has determined a Pro Rata Loss Percentage. If a Pro Rata Loss Percentage has not been determined, leave all fields blank.

31. **DATE OF LATEST PAYMENT** - Enter the date on which the latest claim payment was made to the insured either electronically or via check/draft. Enter the date in numeric format - month/day/year.
32. **SETTLEMENT DOCUMENTATION DATE** - Date used by an insurer in documenting a complete and final settlement for an insured loss, as evidenced by a signed settlement agreement or other means reviewable by a third party. Enter the date in numeric format - month/day/year. If a settlement documentation date has not been determined, leave blank.
33. **TOTAL UNPRORATED LOSS AMOUNT** - The gross dollar amount of loss that would be paid if there were no Pro Rata Loss Percentage to be applied. Do not include deductible amounts that are the responsibility of the insured, ALAE, extra contractual obligations, amounts paid excess of policy limits, or any punitive damages. This amount is prior to any netting of salvage or subrogation recovery amounts. If the loss is still open, this amount should be the anticipated total final loss amount.