

September 24, 2015

Michael T. McRaith
Director, Federal Insurance Office
U.S. Department of Treasury
1500 Pennsylvania Avenue, NW
Washington, D.C. 20220

Dear Mike:

As you know, state insurance commissioners are moving forward with plans to collect data from U.S. insurers relative to their terrorism insurance exposure. Industry solvency is one of the primary missions of state regulation, and a core consumer protection. After all, insurers providing terrorism coverage for businesses big and small can be the same insurers offering homeowners and auto insurance to individual consumers. With the recent reauthorization of the Terrorism Risk Insurance Program, the insurance industry's share of losses before a federal backstop is triggered has been expanded, and we therefore have greater need than ever before to assess the potential impact on company solvency and identify market trends and concentrations. This is also a coverage for which traditional underwriting and actuarial analysis is limited with few historical examples, compounding concerns we have about industry exposure and concentrations of risk.

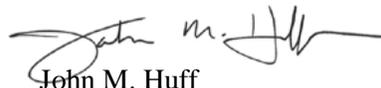
One of the foundational strengths of the national system of state-based insurance regulation is data collection and analysis which allows regulators across the country to assess local, regional, and national trends and exposures. Our plan is to gather information directly from the U.S. industry to satisfy these regulatory concerns, but we recognize Treasury has a statutory obligation to obtain data necessary for effective implementation of the program and for oversight by Congress. We therefore would like to extend our commitment to work with your office to offer our assistance in that effort. Specifically, as we begin a national data call for regulatory purposes, if there are data elements that can be collected by state regulators and shared with Treasury to reduce duplication and cost on the industry, we are happy to consider ways to work together. We believe it is possible for both state regulators and the Department of Treasury to gather the information necessary to carry out our respective statutory obligations without undue burden on U.S. insurers, and ultimately, on U.S. policyholders.

Thank you for your consideration of this offer, and we look forward to hearing from you.

Respectfully,

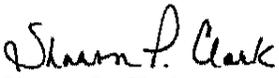


Monica J. Lindeen
NAIC President and
Montana Commissioner of Securities and Insurance

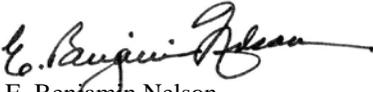


John M. Huff
NAIC President-Elect and
Director, Missouri Department of Insurance

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Sharon P. Clark
NAIC Vice President
Kentucky Insurance Commissioner


Theodore K. Nickel
NAIC Secretary-Treasurer
Wisconsin Insurance Commissioner


E. Benjamin Nelson
NAIC Chief Executive Officer

cc:
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Commissioner Stephen C. Taylor
Superintendent Anthony Albanese
Martha Lees