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**NEWS RELEASE**

**CIAT'S HOUSE TESTIMONY SUPPORTS TERRORISM RISK  
INSURANCE REVISION AND EXTENSION ACT**

**Policyholder Coalition Says Terrorism Insurance Extension  
Is Critical To National Economic Security**

***“Economy Needs Terrorism Insurance To Function  
In Face Of Continuing Terrorist Threat”***

**WASHINGTON, DC, June 21, 2007**—In House testimony today, Host Hotels & Resorts President and CEO Christopher J. Nassetta, representing the Coalition to Insure Against Terrorism (CIAT), said that the broad-based coalition of commercial insurance policyholder groups supports the recently introduced Terrorism Risk Insurance Revision and Extension Act, TRIREA (H.R. 2761), which would modify the federal government backstop for terrorism risk insurance and extend it for an additional 10 years.

In his testimony before the Subcommittee on Capital Markets, Insurance and Government Sponsored Enterprises of the House Committee on Financial Services, Nassetta thanked the Subcommittee for developing a long-term solution that focuses the government role on what the private markets have been unwilling or unable to do: enabling policyholders to purchase insurance for the most catastrophic conventional terrorism risks, as well as NBCR (nuclear, biological, chemical and radiological) risks, and enhancing market capacity.

Nassetta cited four provisions of critical importance to the policy holder community that are addressed by the bill. First, he said that the 10-year term of the program would provide policyholders with “more of the continuity needed for long-term projects.”

“We applaud you for recognizing that long-term extension will enhance the stability of our capital markets,” he said. “The threat of terrorism has become part of our daily lives, and there are no signs that this threat is going away.”

Second, he praised the bill’s elimination of the distinction between foreign and domestically-initiated acts of terror, which had been part of the original Terrorism Risk Insurance Act (TRIA) legislation enacted in 2002. “As the London bombings and the foiled Kennedy Airport plot

demonstrate, we must be prepared for home-grown terrorism as well as threats from abroad,” he said. “The distinction makes no difference to the human victims or to a post-terrorist attack economy.”

Third, Nassetta said the bill would give businesses the option to purchase insurance against NBCR attacks under the same terms and conditions as conventional risks though a mandatory make-available provision.

Finally, Nassetta said reinstating the program’s original “trigger” level at \$50 million should encourage smaller insurers to enter the marketplace and, as a result, increase market capacity.

Nassetta called the extension of the federal backstop an issue of national economic security and said the U.S. economy “needs terrorism insurance to function in the face of the continuing terrorist threat.”

“It is ultimately an issue of jobs. And, it is an issue of protecting the investments of pensioners, shareholders, bondholders and individuals from across the nation,” he said.

“Above all,” Nassetta said, “we urge Congress to complete TRIA renewal before the current program expires at year-end.”

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The Coalition to Insure Against Terrorism represents a wide range of businesses and other organizations throughout the transportation, real estate, manufacturing, construction, entertainment and retail sectors. CIAT speaks for business insurance policyholders as part of an ongoing effort to ensure that terrorism coverage is both available and affordable. Visit our Web site at [www.insureagainstterrorism.org](http://www.insureagainstterrorism.org).