

# Trade Risk Guaranty Return Policy

## TRG Bond Premium Refund Policy

*Effective and applicable to bond policy periods beginning on or after August 1, 2018*

Due to the nature of the guarantee offered by the Surety for U.S. Customs Bonds, the annual premium is considered **fully earned** as of the first day of the annual policy period for which it applies. Premiums for bond periods that have been open for any amount of time are not eligible for full or partial refund.

Pre-paid bond premiums for annual periods that have not yet begun are eligible for a full refund. This applies to our multi-term bond pricing. Below is a table defining how multi-term premiums are allocated for earned premium.

Bond Term	1 <sup>st</sup> Year Earned Premium	2 <sup>nd</sup> Year Earned Premium	3 <sup>rd</sup> Year Earned Premium	4 <sup>th</sup> Year Earned Premium	5 <sup>th</sup> Year Earned Premium
1 Year	100%	—	—	—	—
2 Year	57.078%	42.922%	—	—	—
3 Year	40%	30%	30%	—	—
5 Year	25%	18.75%	18.75%	18.75%	18.75%

EFFECTIVE & APPLICABLE TO BOND POLICY PERIODS BEGINNING ON OR AFTER AUGUST 1, 2018

The bond amount is the amount of liability the Surety is guaranteeing on behalf of the Bond Principal per annual bond period. The liability does not cease when the bond is terminated or when the bond period ends. Bond Principals, and thus the Surety who is guaranteeing payments to Customs on behalf of the Bond Principal, are liable for any amount due to Customs & Border Protection for activity that occurred under the coverage of a particular bond, even if the amount due is discovered and/or invoiced to the Bond Principal after the applicable bond period is over or the bond is terminated.

U.S. Customs Bonds cannot be terminated without proper notice to Customs & Border Protection. Please advise TRG's Client Experience team immediately upon realization of a need to terminate and/or make changes to your U.S. Customs Bond so that we can do everything possible to avoid entering a new bond period if it is not necessary.

## TRG Marine Premium Refund Policy

All TRG Marine policies individually define what is considered Earned Premium. Earned Premium is not eligible for refund and will be defined accordingly and specifically within the terms of each marine policy.

CUSTOMS BONDS • CARGO INSURANCE

