

**NOTICE OF COVERAGE FOR "ACTS OF TERRORISM"  
AND DISCLOSURE OF PREMIUM**

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The Terrorism Risk Insurance Act of 2002, and the subsequent reauthorization Act of 2007, establishes a program within the United States Department of the Treasury, under which the federal government shares, with the insurance industry, the risk of loss from future "acts of terrorism," as defined in the Act. The Act defines an "act of terrorism" as any act that is certified by the Secretary of the Treasury, in concurrence with the Secretary of State and the Attorney General of the United States: (1) to be an act of terrorism; (2) to be a violent act, or an act that is dangerous to human life, property or infrastructure; and (3) to have resulted in damage within the United States, or outside the United States in the case of an air carrier or vessel or the premises of a United States mission, as part of an effort to coerce the civilian population of the United States or to influence the policy or to affect the conduct of the United States Government by coercion. Additionally, to be certified, an "act of terrorism" must cause aggregate property and casualty insurance losses of at least One Hundred million dollars.

In accordance with the Act, you have the right to purchase or reject coverage for losses resulting from a certified "act of terrorism." The premium charge to purchase this coverage is set forth below. This coverage is only available with the purchase of the General Liability policy. If you choose to purchase coverage for certified "acts of terrorism," you should indicate so in the section below by signing and dating in the space provided.

If you do not wish to purchase coverage for certified "acts of terrorism," you should indicate so in the section below by signing and dating in the space provided. Your policy will then be written to exclude such coverage.

**DISCLOSURE OF FEDERAL PARTICIPATION IN PAYMENT OF LOSSES ARISING FROM  
CERTIFIED "ACTS OF TERRORISM"**

The United States Government will pay a share of any losses arising from certified "acts of terrorism." The Government's share equals 85% of the portion of the amount of such losses that exceed a statutorily established deductible paid by us. The premium set forth on pages nine and ten of this proposal for coverage for losses arising from certified "acts of terrorism" does not include any charges for the portion of loss covered by the Government under the Act.

<b>Please Select One of the Options Below:</b>	
<input type="checkbox"/>	I hereby elect to purchase coverage for an act of terrorism for an additional annual premium of \$_____. I understand that if my application for coverage is approved, my policy will be issued without the insurance company's standard terrorism exclusion, but such coverage would be subject to all of the other policy terms, conditions, exclusions and limits (including an exclusion for acts of terrorism not certified by the Secretary of Treasury).
<input type="checkbox"/>	I hereby elect to reject coverage for an act of terrorism. I understand that I will have no coverage for losses arising from an act of terrorism and agree that the insurer's standard Terrorism Exclusion will be part of my Policy if my application for insurance is approved.

\_\_\_\_\_  
Applicant's Signature

\_\_\_\_\_  
Applicant's Printed Name and Date

\_\_\_\_\_  
Print Corporate Title if the Policy Applicant is a Corporation