

Insurance Company:

Named Insured:

**POLICYHOLDER DISCLOSURE
NOTICE OF TERRORISM INSURANCE COVERAGE**

You are hereby notified that under the Terrorism Risk Insurance Act, that you have a right to purchase insurance coverage for losses resulting from acts of terrorism, as defined in Section 102(1) of the Act. See the next page for a further description of an act of terrorism as provided under the Act.

SELECTION OR REJECTION OF TERRORISM INSURANCE COVERAGE

You may accept or reject this offer of coverage. If you choose to accept this coverage, the premium for this coverage is payable according to the terms of your billing notice. You may reject this offer by completing and signing this statement and returning it to us. If you send us a signed rejection of coverage, your policy will exclude coverage for certified terrorism losses.

If you accept this offer, the premium for terrorism coverage is the premium shown in the "Quote Confirmation" or a premium charge to be determined for this coverage.

_____ I acknowledge that I have been notified that under the Terrorism Risk Insurance Act, any covered losses resulting from certified acts of terrorism under my policy will be partially reimbursed by the United States and I have been notified of the amount of my premium attributable to such coverage.

_____ I hereby reject this offer of coverage. I understand that an exclusion of certified terrorism losses will be made a part of this policy.

You should know that where coverage is provided by this policy for losses resulting from certified acts of terrorism, such losses may be partially reimbursed to the insurer by the United States under a formula established by federal law. Under this formula the United States government generally pays 85% of covered terrorism losses exceeding the statutorily established deductible paid by the insurance company providing the coverage. However, if aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act exceed \$100 billion in a Program Year (January 1 through December 31), the Treasury shall not make any payment for any portion of the amount of such losses that exceeds \$100 billion. The premium charged is shown in the "Quote Confirmation" and does not include any charges for the portion of loss covered by the federal government under the Act.

Signature of Insured

Date

Print Name/Title

TRIAQuote (03/08)

The following excerpt from the Act is provided for your information:

According to Section 102(1) of the Terrorism Risk Insurance Act, the term “act of terrorism” means any act that is certified by the Secretary, in concurrence with the Secretary of State, and the Attorney General of the United States—(i) to be an act of terrorism; (ii) to be a violent act or an act that is dangerous to—(I) human life; (II) property; or (III) infrastructure; (iii) to have resulted in damage within the United States, or outside the United States in the case of—(I) an air carrier or vessel described in paragraph (5)(B); or (II) the premises of a United States mission; and (iv) to have been committed by an individual or individuals, as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.” “The Secretary,” when no department is specified, refers to the Secretary of the Treasury. Section 102(1)(B) states: No act shall be certified by the Secretary as an act of terrorism if—(i) the act is committed as part of the course of a war declared by the Congress, except that this clause shall not apply with respect to any coverage for workers’ compensation; or (ii) property and casualty insurance losses resulting from the act, in the aggregate, do not exceed \$5,000,000. Section 102(1)(C) and (D) specify that the determinations are final and not subject to judicial review and that the Secretary of the Treasury cannot delegate the determination to anyone.