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POLICYHOLDER DISCLOSURE NOTICE OF TERRORISM INSURANCE COVERAGE

You are hereby notified that under the Terrorism Risk Insurance Act of 2002, effective November 26, 2002, that you now have a right to purchase insurance coverage for losses arising out of acts of terrorism, *as defined in Section 102(1) of the Act*: The term "act of terrorism" means 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—to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property; or infrastructure; 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; and to have been committed by an individual or individuals acting on behalf of any foreign person or foreign interest, 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. Coverage under your existing policy may be affected as follows:

YOU SHOULD KNOW THAT COVERAGE PROVIDED BY THIS POLICY FOR LOSSES CAUSED BY CERTIFIED ACTS OF TERRORISM IS PARTIALLY REIMBURSED BY THE UNITED STATES UNDER A FORMULA ESTABLISHED BY FEDERAL LAW. UNDER THIS FORMULA, THE UNITED STATES PAYS 90% OF COVERED TERRORISM LOSSES EXCEEDING THE STATUTORILY ESTABLISHED DEDUCTIBLE PAID BY THE INSURANCE COMPANY PROVIDING THE COVERAGE. THE PREMIUM CHARGE FOR THIS COVERAGE IS SHOWN BELOW. IT DOES NOT INCLUDE ANY CHARGES FOR THE PORTION OF LOSS COVERED BY THE FEDERAL GOVERNMENT UNDER THE ACT.

ACCEPTANCE OR REJECTION OF TERRORISM INSURANCE COVERAGE

IF YOU DO NOT PAY THE PREMIUM QUOTED BELOW FOR TERRORISM COVERAGE WITH YOUR ORDER TO BIND ANY COVERAGE(S) WE QUOTED FOR YOU, THE TERRORISM EXCLUSION NULLIFIED BY THE FEDERAL TERRORISM RISK INSURANCE ACT OF 2002 WILL BE REINSTATED. THIS MEANS THAT YOU WILL NOT BE COVERED FOR LOSSES ARISING OUT OF ANY ACTS OF TERRORISM.

REGARDLESS OF YOUR DECISION, PLEASE COMPLETE AND RETURN THE DECLARATIONS BELOW TO US AS SOON AS POSSIBLE, TO COMPLETE OUR RECORDS ON THIS SUBJECT.

	I hereby elect to purchase Terrorism coverage for an annual premium of \$_____
	I hereby reject the offer to purchase Terrorism coverage. I understand that I will have no coverage for losses arising from acts of terrorism.

_____ Policy Number	_____ Insured's Signature	_____ Print Name	_____ Date
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Insured's Name:
Mailing Address:
City: State: Zip: