



TERRORISM DISCLOSURE ENDORSEMENT

We provide disclosure information for the Terrorism Risk Insurance Act, as amended in 2007 (the Act), subject to the terms contained in your policy.

TERRORISM DISCLOSURE

Coverage for acts of terrorism as defined in the statute is included in your policy. You are hereby notified that under the Terrorism Risk Insurance Act as amended in 2007, the definition of act of terrorism has changed. As defined under 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 certain air carriers or vessels or the premises of a United States mission; and 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. Under your coverage, any losses resulting from certified acts of terrorism may be partially reimbursed by the United States Government under a formula established by the Terrorism Risk Insurance Act, as amended. However, your policy may contain other exclusions which might affect your coverage, such as an exclusion for nuclear events. Under the formula, the United States Government generally reimburses 85% of covered terrorism losses exceeding the statutorily established deductible paid by the insurance company providing the coverage. The Terrorism Risk Insurance Act, as amended, contains a \$100 billion cap that limits United States Government reimbursement as well as insurers' liability for losses resulting from certified acts of terrorism when the amount of such losses in any one calendar year exceeds \$100 billion. If the aggregate insured losses for all insurers exceed \$100 billion, your coverage may be reduced.

In connection with both insured losses under the Terrorism Risk Insurance Act, as amended, and losses other than insured losses under the statute, no terrorism exclusion or limitation is permitted to the extent that coverage is otherwise required under the New York Insurance Law. Accordingly, no such exclusion or limitation is permissible for coverage with respect to the peril of fire that is subject to New York Insurance Law Section 3404; motor vehicle liability policies satisfying the financial responsibility requirements of the Vehicle and Traffic Law, including no-fault coverage; and workers' compensation insurance. An insured cannot voluntarily waive this statutorily mandated coverage.

There is no portion of your annual premium attributable to coverage for acts of terrorism and the premium charge is \$0.00, and does not include any charges for the portion of losses covered by the United States Government under the Act.

Any coverage provided by your policy in compliance with the Act is limited by the terms, conditions, limits, exclusions and other provisions of your policy. The terms of this coverage are not intended to provide coverage for any loss or damage that would be otherwise excluded under this policy by any other exclusion(s) that address war, military action or nuclear hazards.

All other terms and conditions remain unchanged.

YOU HAVE BEEN NOTIFIED THAT UNDER THE TERRORISM RISK INSURANCE ACT, AS AMENDED, ANY LOSSES RESULTING FROM CERTIFIED ACTS OF TERRORISM UNDER YOUR POLICY COVERAGE MAY BE PARTIALLY REIMBURSED BY THE UNITED STATES GOVERNMENT, MAY BE SUBJECT TO A \$100 BILLION CAP THAT MAY REDUCE YOUR COVERAGE AND YOU HAVE BEEN NOTIFIED THAT THERE IS NO PREMIUM ATTRIBUTABLE TO SUCH COVERAGE.

YOU HAVE BEEN NOTIFIED NO TERRORISM EXCLUSION OR LIMITATION IS PERMITTED TO THE EXTENT THAT COVERAGE IS OTHERWISE REQUIRED UNDER THE NEW YORK INSURANCE LAW.