

POLICYHOLDER DISCLOSURE
NOTICE OF TERRORISM INSURANCE COVERAGE
(FORM C)

Insured:	Policy No.:
Address:	Type of Policy:
City, State, Zip:	Date:

You are hereby notified that under the Terrorism Risk Insurance Act ("TRIA") you 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 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.

YOU SHOULD KNOW THAT COVERAGE PROVIDED 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 PERCENT CHANGES TO 85% EFFECTIVE JANUARY 1, 2007). THE PREMIUM CHARGED FOR THIS COVERAGE DOES NOT INCLUDE ANY CHARGES FOR THE PORTION OF LOSS COVERED BY THE FEDERAL GOVERNMENT UNDER THE ACT.

TRIA will terminate at the end of December 31, 2007 unless extended by the Federal government. If your policy is in effect when the Federal program terminates, any terrorism coverage afforded by us in your policy will continue without Federal reinsurance as of that date.

SELECTION OR REJECTION OF TERRORISM INSURANCE COVERAGE:

	I hereby elect to purchase the above Terrorism coverage for the premium quoted to me plus any taxes and fees that may be applicable. I understand that the federal Terrorism Risk Insurance Act may terminate on or after 12/31/07, and should that occur during my policy's coverage term my terrorism coverage <i>as defined by the act</i> will cease on that date.
	I hereby reject coverage provided under the Terrorism Risk Insurance Act. I understand that I will have no coverage for losses arising from acts of Terrorism.

This offer is not applicable to Commercial Auto (including Garage Liability), Professional Liability, Surety, monoline Burglary and Theft and Farm-owners Multi Peril Insurance Policies (not including Farm Liability) effective 1/1/2006 and thereafter.

Policyholder/Applicant's Signature	
Print Name	
Date	

RETURN THIS COMPLETED FORM TO YOUR INSURANCE AGENT