

SERFF Tracking Number: ACEH-125481356 State: Arkansas
First Filing Company: ACE American Insurance Company, ... State Tracking Number: EFT \$50
Company Tracking Number: 08-CML-2007521
TOI: 05.1 Commercial Multi-Peril - Non-Liability Sub-TOI: 05.1003 Commercial Package
Portion Only
Product Name: 08-CML-2007521
Project Name/Number: Terrorism Risk Insurance Program Reauthorization Act of 2007/08-CML-2007521

Filing at a Glance

Companies: ACE American Insurance Company, ACE Fire Underwriters Insurance Company, ACE Indemnity Insurance Company, ACE Property & Casualty Insurance Company, Bankers Standard Insurance Company, Insurance Company of North America, Pacific Employers Insurance Company

Product Name: 08-CML-2007521 SERFF Tr Num: ACEH-125481356 State: Arkansas
TOI: 05.1 Commercial Multi-Peril - Non-Liability SERFF Status: Closed State Tr Num: EFT \$50
Portion Only
Sub-TOI: 05.1003 Commercial Package Co Tr Num: 08-CML-2007521 State Status: Fees verified and received
Filing Type: Form Co Status: Reviewer(s): Betty Montesi, Llyweyia Rawlins, Brittany Yielding
Authors: Karen Schwabe, Marlene Thomas, Renice Cox Disposition Date: 02/22/2008
Date Submitted: 02/13/2008 Disposition Status: Approved
Effective Date Requested (New): 12/26/2007 Effective Date (New): 01/01/2008
Effective Date Requested (Renewal): 12/26/2007 Effective Date (Renewal): 01/01/2008

State Filing Description:

General Information

Project Name: Terrorism Risk Insurance Program Reauthorization Act of 2007 Status of Filing in Domicile: Pending
Project Number: 08-CML-2007521 Domicile Status Comments:
Reference Organization: Reference Number:
Reference Title: Advisory Org. Circular:
Filing Status Changed: 02/22/2008
State Status Changed: 02/22/2008 Deemer Date:
Corresponding Filing Tracking Number:
Filing Description:

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This filing is in response to the Terrorism Risk Insurance Program Reauthorization Act of 2007.

We are also proposing to make changes to our Advantage Commercial Package product. Please see the Filing Memorandum for specifics changes.

The changes we have made to our forms and form usage rules are substantively similar to the changes the Insurance Services Office, Inc. made in their reference filings CL-2007-OTRP1 and CL-2007-RTRP1.

Finally, we are providing you with copies of our policyholder disclosure notices, TR-19604c (01/08) and TRIA-15c (01/08) for informational purposes only.

We intend to make these changes effective 12/26/07 or the earliest date you will permit.

Company and Contact

Filing Contact Information

Renice Cox, Regulatory Specialist renice.cox@ace-ina.com
 436 Walnut Street, WB04G (215) 640-4876 [Phone]
 Philadelphia, PA 19106 (215) 640-4986[FAX]

Filing Company Information

ACE American Insurance Company	CoCode: 22667	State of Domicile: Pennsylvania
PO Box 1000	Group Code: 626	Company Type:
436 Walnut Street		
Philadelphia, PA 19106	Group Name:	State ID Number:
(215) 640-5123 ext. [Phone]	FEIN Number: 95-2371728	

ACE Fire Underwriters Insurance Company	CoCode: 20702	State of Domicile: Pennsylvania
PO Box 1000	Group Code: 626	Company Type:
436 Walnut Street		
Philadelphia, PA 19106	Group Name:	State ID Number:
(215) 640-5123 ext. [Phone]	FEIN Number: 06-6032187	

SERFF Tracking Number: ACEH-125481356 *State:* Arkansas
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ACE Indemnity Insurance Company CoCode: 10030 State of Domicile: Pennsylvania
 PO Box 1000 Group Code: 626 Company Type:
 436 Walnut Street
 Philadelphia, PA 19106 Group Name: State ID Number:
 (215) 640-5123 ext. [Phone] FEIN Number: 92-0040526

ACE Property & Casualty Insurance Company CoCode: 20699 State of Domicile: Pennsylvania
 PO Box 1000 Group Code: 626 Company Type:
 436 Walnut Street
 Philadelphia, PA 19106 Group Name: State ID Number:
 (215) 640-5123 ext. [Phone] FEIN Number: 06-0237820

Bankers Standard Insurance Company CoCode: 18279 State of Domicile: Pennsylvania
 PO Box 1000 Group Code: 626 Company Type:
 436 Walnut Street
 Philadelphia, PA 19106 Group Name: State ID Number:
 (215) 640-5123 ext. [Phone] FEIN Number: 59-1320184

Insurance Company of North America CoCode: 22713 State of Domicile: Pennsylvania
 PO Box 1000 Group Code: 626 Company Type:
 436 Walnut Street
 Philadelphia, PA 19106 Group Name: State ID Number:
 (215) 640-5123 ext. [Phone] FEIN Number: 23-0723970

Pacific Employers Insurance Company CoCode: 22748 State of Domicile: Pennsylvania
 PO Box 1000 Group Code: 626 Company Type:
 436 Walnut Street
 Philadelphia, PA 19106 Group Name: State ID Number:
 (215) 640-5123 ext. [Phone] FEIN Number: 95-1077060

SERFF Tracking Number: ACEH-125481356 State: Arkansas
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Filing Fees

Fee Required? Yes
 Fee Amount: \$50.00
 Retaliatory? No
 Fee Explanation:
 Per Company: No

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
ACE American Insurance Company	\$50.00	02/13/2008	17960490
ACE Fire Underwriters Insurance Company	\$0.00	02/13/2008	
ACE Indemnity Insurance Company	\$0.00	02/13/2008	
ACE Property & Casualty Insurance Company	\$0.00	02/13/2008	
Bankers Standard Insurance Company	\$0.00	02/13/2008	
Insurance Company of North America	\$0.00	02/13/2008	
Pacific Employers Insurance Company	\$0.00	02/13/2008	

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Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Approved	Llyweyia Rawlins	02/22/2008	02/22/2008

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Disposition

Disposition Date: 02/22/2008
Effective Date (New): 01/01/2008
Effective Date (Renewal): 01/01/2008
Status: Approved
Comment:

Rate data does NOT apply to filing.

Overall Rate Information for Multiple Company Filings

Overall Percentage Rate Indicated For This Filing	0.000%
Overall Percentage Rate Impact For This Filing	0.000%
Effect of Rate Filing-Written Premium Change For This Program	\$0
Effect of Rate Filing - Number of Policyholders Affected	0

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Item Type	Item Name	Item Status	Public Access
Supporting Document	Uniform Transmittal Document-Property & Casualty	Approved	Yes
Supporting Document	Cover Letter	Approved	Yes
Supporting Document	Comparison Forms	Approved	Yes
Supporting Document	Supporting Document	Approved	Yes
Supporting Document	Filing Memo	Approved	Yes
Form	CAP on Losses From Certified Acts of Terrorism	Approved	Yes
Form	Exclusion of Certified Acts of Terrorism	Approved	Yes
Form	Exclusion of Certified Acts of Terrorism Involving Nuclear, Biological, Chemical or Radiological Terrorism: CAP on Covered Certified Acts Losses	Approved	Yes
Form	Limitation of Coverage for Certified Acts of Terrorism (Sub-Limit on Annual Aggregate Basis)	Approved	Yes

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Form Schedule

Review Status	Form Name	Form #	Edition Date	Form Type Action	Action Specific Data	Readability	Attachment
Approved	CAP on Losses From Certified Acts of Terrorism	FA-13216a	(01/08)	Endorsement/Amendment/Conditions	New	0.00	FA13216a - ALL States.pdf
Approved	Exclusion of Certified Acts of Terrorism	FA-13217a	(01/08)	Endorsement/Amendment/Conditions	New	0.00	FA13217a - ALL States_EXCEPT AK_.pdf
Approved	Exclusion of Certified Acts of Terrorism Involving Nuclear, Biological, Chemical or Radiological Terrorism: CAP on Covered Certified Acts Losses	FA-16479a	(01/08)	Endorsement/Amendment/Conditions	New	0.00	FA16479a - ALL States_EXCEPT AK,FL,GA,NY_.pdf
Approved	Limitation of Coverage for Certified Acts of Terrorism (Sub-Limit on Annual Aggregate Basis)	FA-16480a	(01/08)	Endorsement/Amendment/Conditions	New	0.00	FA16480a - ALL States_EXCEPT FL,GA,NY_.pdf

CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM

Name Insured			Endorsement Number
Policy Symbol	Policy Number	Policy Period	Effective Date of Endorsement
			TO
Issued by (Name of Insurance Company)			

Insert the policy number. The remainder of the information is to be completed only when this endorsement is issued subsequent to the preparation of the policy.

THIS ENDORSEMENT CHANGES YOUR POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE FORM COMMERCIAL INLAND MARINE COVERAGE PART

A. Cap On Certified Terrorism Losses

"Certified act of terrorism" means an 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 pursuant to the federal Terrorism Risk Insurance Act. The criteria contained in the Terrorism Risk Insurance Act for a "certified act of terrorism" include the following:

1. The act resulted in insured losses in excess of \$5 million in the aggregate, attributable to all types of insurance subject to the Terrorism Risk Insurance Act; and
2. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is 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.

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) and we have met our insurer deductible under the Terrorism Risk Insurance Act, we shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.

B. Application Of Exclusions

The terms and limitations of any terrorism exclusion, or the inapplicability or omission of a terrorism exclusion, do not serve to create coverage for any loss which would otherwise be excluded under this Coverage Form, Coverage Part or Policy, such as losses excluded by the "Nuclear Activity" Exclusion or the "War" Exclusion.

Authorized Agent

EXCLUSION OF CERTIFIED ACTS OF TERRORISM

Name Insured			Endorsement Number	
Policy Symbol	Policy Number	Policy Period	TO	
Effective Date of Endorsement				
Issued by (Name of Insurance Company)				

Insert the policy number. The remainder of the information is to be completed only when this endorsement is issued subsequent to the preparation of the policy.

THIS ENDORSEMENT CHANGES YOUR POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

**COMMERCIAL PROPERTY COVERAGE FORM
COMMERCIAL INLAND MARINE COVERAGE PART**

SCHEDULE

The **Exception Covering Certain Fire Losses** (Paragraph **C**) applies to property located in the following state(s), if covered under the indicated Coverage Form, Coverage Part or Policy:

State(s)	Coverage Form, Coverage Part Or Policy

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

A. The following definition is added with respect to the provisions of this endorsement:

"Certified act of terrorism" means an 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 pursuant to the federal Terrorism Risk Insurance Act. The criteria contained in the Terrorism Risk Insurance Act for a "certified act of terrorism" include the following:

1. The act resulted in insured losses in excess of \$5 million in the aggregate, attributable to all types of insurance subject to the Terrorism Risk Insurance Act; and
2. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is 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.

B. The following exclusion is added:

CERTIFIED ACT OF TERRORISM EXCLUSION

We will not pay for loss or damage caused directly or indirectly by a "certified act of terrorism". Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss.

C. Exception Covering Certain Fire Losses

The following exception to the exclusion in Paragraph **B.** applies only if indicated and as indicated in the Schedule of this endorsement.

If a "certified act of terrorism" results in fire, we will pay for the loss or damage caused by that fire. Such coverage for fire applies only to direct loss or damage by fire to Covered Property. Therefore, for example, the coverage does not apply to insurance provided under Loss of Income and/or Extra Expense coverage, or endorsements which apply to such coverage, or to the Legal Liability Coverage Form.

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) and we have met our insurer deductible under the Terrorism Risk Insurance Act, we shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.

D. Application Of Other Exclusions

The terms and limitations of any terrorism exclusion, or the inapplicability or omission of a terrorism exclusion, do not serve to create coverage for any loss which would otherwise be excluded under this Coverage Form, Coverage Part or Policy, such as losses excluded by the "Nuclear Activity" Exclusion or the "War" Exclusion.

Authorized Agent

EXCLUSION OF CERTIFIED ACTS OF TERRORISM INVOLVING NUCLEAR, BIOLOGICAL, CHEMICAL OR RADIOLOGICAL TERRORISM; CAP ON COVERED CERTIFIED ACTS LOSSES

Name Insured			Endorsement Number
Policy Symbol	Policy Number	Policy Period	Effective Date of Endorsement
			TO
Issued by (Name of Insurance Company)			

Insert the policy number. The remainder of the information is to be completed only when this endorsement is issued subsequent to the preparation of the policy.

THIS ENDORSEMENT CHANGES YOUR POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

**COMMERCIAL PROPERTY COVERAGE FORM
COMMERCIAL INLAND MARINE COVERAGE PART**

SCHEDULE

The **Exception Covering Certain Fire Losses** (Paragraph **C**) applies to property located in the following state(s), if covered under the indicated Coverage Form, Coverage Part or Policy:

State(s)	Coverage Form, Coverage Part Or Policy

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

A. The following definition is added with respect to the provisions of this endorsement:

"Certified act of terrorism" means an 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 pursuant to the federal Terrorism Risk Insurance Act. The criteria contained in the Terrorism Risk Insurance Act for a "certified act of terrorism" include the following:

1. The act resulted in insured losses in excess of \$5 million in the aggregate, attributable to all types of insurance subject to the Terrorism Risk Insurance Act; and
2. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is 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.

B. The following exclusion is added:

LIMITED EXCLUSION OF CERTIFIED ACTS OF TERRORISM

We will not pay for loss or damage caused directly or indirectly by a "certified act of terrorism". Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss. But this exclusion applies only when one or more of the following are attributed to such act:

1. The terrorism is carried out by means of the dispersal or application of radioactive material, or through the use of a nuclear weapon or device that involves or produces a nuclear reaction, nuclear radiation or radioactive contamination; or
2. Radioactive material is released, and it appears that one purpose of the terrorism was to release such material; or
3. The terrorism is carried out by means of the dispersal or application of pathogenic or poisonous biological or chemical material; or
4. Pathogenic or poisonous biological or chemical material is released, and it appears that one purpose of the terrorism was to release such material.

When this terrorism exclusion applies in accordance with the terms of Paragraph **B.1.** or **B.2.**, the terrorism exclusion applies without regard to the "Nuclear Activity" Exclusion in this Coverage Form, Coverage Part or Policy.

C. Exception Covering Certain Fire Losses

The following exception to the exclusion in Paragraph **B.** applies only if indicated and as indicated in the Schedule of this endorsement.

If a "certified act of terrorism" excluded under Paragraph **B.** results in fire, we will pay for the loss or damage caused by that fire, subject to all applicable policy provisions including the Coverage Limit on the affected property. Such coverage for fire applies only to direct loss or damage by fire to Covered Property. Therefore, for example, the coverage does not apply to insurance provided under Loss of Income and/or Extra Expense coverage or endorsements that apply to those coverages or to the Legal Liability Coverage Form.

D. Cap On Certified Terrorism Losses

The following limitation applies to coverage for any one or more "certified acts of terrorism" that are not excluded by the terms of the exclusion in Paragraph **B.** and to any loss or damage that is covered and to which the exception in Paragraph **C.** applies:

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) and we have met our insurer deductible under the Terrorism Risk Insurance Act, we shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.

E. Application Of Exclusions

The terms and limitations of any terrorism exclusion, or the non-applicability or omission of a terrorism exclusion, do not serve to create coverage for any loss which would otherwise be excluded under this Coverage Form, Coverage Part or Policy, such as losses excluded by the "War" Exclusion.

Authorized Agent

LIMITATION OF COVERAGE FOR CERTIFIED ACTS OF TERRORISM (SUB-LIMIT ON ANNUAL AGGREGATE BASIS)

Name Insured			Endorsement Number
Policy Symbol	Policy Number	Policy Period	Effective Date of Endorsement
			TO
Issued by (Name of Insurance Company)			

Insert the policy number. The remainder of the information is to be completed only when this endorsement is issued subsequent to the preparation of the policy.

THIS ENDORSEMENT CHANGES YOUR POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

**COMMERCIAL PROPERTY COVERAGE FORM
COMMERCIAL INLAND MARINE COVERAGE PART**

SCHEDULE

SCHEDULE PART I – Applicability Of Terrorism Sub-Limit

Coverage Form, Coverage Part Or Policy	Description Of Property Or Coverage	Certified Acts Sub-Limit

SCHEDULE PART II – Exception: Non-Applicability Of Certified Acts Sub-Limit To Certain Fire Losses (refer to Paragraph D.):

State(s)	Coverage Form, Coverage Part Or Policy

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

A. The following definition is added with respect to the provisions of this endorsement:

"Certified act of terrorism" means an 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 pursuant to the federal Terrorism Risk Insurance Act. The criteria contained in the Terrorism Risk Insurance Act for a "certified act of terrorism" include the following:

1. The act resulted in insured losses in excess of \$5 million in the aggregate, attributable to all types of insurance subject to the Terrorism Risk Insurance Act; and
2. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is 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.

B. Application Of Exclusions

The terms and limitations of any terrorism exclusion, or the non-applicability or omission of a terrorism exclusion, do not serve to create coverage for any loss which would otherwise be excluded under this Coverage Form, Coverage Part or Policy, such as losses excluded by the "Nuclear Activity" Exclusion or the "War" Exclusion.

C. Limitation Of Amount Of Coverage For Certified Acts Of Terrorism

When coverage applies to loss or damage caused by a "certified act of terrorism", the full Coverage Limit on the affected property or coverage does not apply to such loss or damage. Instead, the following limitation applies to the loss or damage. The limitation applies even if another Covered Cause of Loss contributes concurrently or in any sequence to the loss or damage, except as otherwise provided in this endorsement.

The Certified Acts Sub-Limit is the most we will pay for the total of all loss or damage (sustained under the coverage to which the Sub-Limit applies) caused by one or more "certified acts of terrorism" in an annual policy period. If losses from a "certified act of terrorism" do not exhaust the Certified Acts Sub-Limit, then the balance of that Sub-Limit is available for losses from a later act(s) that occurs in the same annual policy period. If a "certified act of terrorism" begins during one annual policy period and ends during the following annual policy period, the only amount of coverage available is the Sub-Limit (or balance of it) applicable to the annual policy period in which such act began.

Amounts payable under a Coverage Extension, Additional Coverage or similar provision in the policy do not increase the Certified Acts Sub-Limit.

D. Exception: Non-Applicability Of The Certified Acts Sub-Limit To Certain Fire Losses

The following exception applies only with respect to property located in the states indicated in Part II of the Schedule of this endorsement, if covered under the Coverage Form, Coverage Part or Policy indicated therein. The exception relates only to loss or damage caused by a "certified act of terrorism".

When covered direct loss or damage attributable to fire exceeds the amount of the Sub-Limit, we will pay the full amount of the fire loss, up to the Coverage Limit on the affected property, subject to policy provisions including Deductible and How to Calculate the Value of Property. In that circumstance, the Coverage Limit is the most we will pay for the total of all covered direct loss or damage by fire and any other effect of the "certified act of terrorism" and any other Covered Cause of Loss that contributes concurrently or in any sequence to the loss or damage.

When covered direct loss or damage attributable to fire is less than the Sub-Limit, then the Sub-Limit is the most we will pay for the total of fire and any other covered loss or damage.

This Paragraph, **D.**, does not apply to insurance provided under Loss of Income and/or Extra Expense coverage or endorsements that apply to those coverages or to the Legal Liability Coverage Form. Therefore, when a Sub-Limit is shown for those coverages, the Sub-Limit for those coverages is the maximum recoverable regardless of whether fire is an effect of the "certified act of terrorism".

E. Cap On Certified Terrorism Losses

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) and we have met our insurer deductible under the Terrorism Risk Insurance Act, we shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.

F. Coinsurance

The Coinsurance Agreement Condition in this policy does not apply to the coverage addressed in this endorsement.

Authorized Agent

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Supporting Document Schedules

Satisfied -Name: Uniform Transmittal Document-Property & Casualty **Review Status:** Approved 02/22/2008

Comments:

Attachments:

AR-NAIC Transmittal Document.pdf
 Form Filing Schedule.pdf

Satisfied -Name: Cover Letter **Review Status:** Approved 02/22/2008

Comments:

Attachment:

Cover Letter - AR.pdf

Satisfied -Name: Comparison Forms **Review Status:** Approved 02/22/2008

Comments:

Attachments:

Comparison of FA-13216a with existing version - ALL States.pdf
 Comparison of FA-13217a with existing version - ALL States _EXCEPT AK_.pdf
 Comparison of FA-16479a with existing version - ALL States _EXCEPT AK,FL,GA,NY_.pdf
 Comparison of FA-16480a with existing version - ALL States _EXCEPT FL,GA,NY_.pdf

Satisfied -Name: Supporting Document **Review Status:** Approved 02/22/2008

Comments:

Attachments:

TR19604c.pdf
 TRIA15c.pdf

Satisfied -Name: Filing Memo **Review Status:** Approved 02/22/2008

Property & Casualty Transmittal Document

<p>1. Reserved for Insurance Dept. Use Only</p>	<p>2. Insurance Department Use only</p> <p>a. Date the filing is received:</p> <p>b. Analyst:</p> <p>c. Disposition:</p> <p>d. Date of disposition of the filing:</p> <p>e. Effective date of filing:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%;">New Business</td> <td></td> </tr> <tr> <td>Renewal Business</td> <td></td> </tr> </table> <p>f. State Filing #:</p> <p>g. SERFF Filing #:</p> <p>h. Subject Codes</p>	New Business		Renewal Business	
New Business					
Renewal Business					

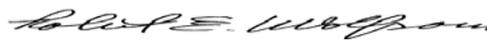
3. Group Name	Group NAIC #
ACE INA Companires	

4. Company Name(s)	Domicile	NAIC #	FEIN #
ACE American Insurance Company	PA	22667	95-2371728
ACE Fire Underwriters Insurance Company	PA	20702	06-0632187
ACE Property & Casualty Insurance Company	PA	20699	06-0237820
Bankers Standard Insurance Company	PA	18279	59-1320184
Insurance Company of North America	PA	22713	23-0723970
Pacific Employers Insurance Company	PA	22748	95-1077060

5. Company Tracking Number	08-CML-2007521
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Contact Info of Filer(s) or Corporate Officer(s) [include toll-free number]

6.	Name and address	Title	Telephone #s	FAX #	e-mail
	Robert E. Wolfrom 436 Walnut Street Philadelphia, PA 19106	Sr. Regulatory Specialist	215.640.5123	215.640.4986	robert.wolfrom@ace-ina.com

7.	Signature of authorized filer	
8.	Please print name of authorized filer	Robert E. Wolfrom

Filing information (see General Instructions for descriptions of these fields)

9.	Type of Insurance (TOI)	CMP Non-Liability Portion Only
10.	Sub-Type of Insurance (Sub-TOI)	Commercial Package
11.	State Specific Product code(s)(if applicable)[See State Specific Requirements]	n/a
12.	Company Program Title (Marketing title)	n/a
13.	Filing Type	<input type="checkbox"/> Rate/Loss Cost <input type="checkbox"/> Rules <input type="checkbox"/> Rates/Rules <input checked="" type="checkbox"/> Forms <input type="checkbox"/> Combination Rates/Rules/Forms <input type="checkbox"/> Withdrawal <input type="checkbox"/> Other (give description)
14.	Effective Date(s) Requested	New: 12/26/2007 Renewal: 12/26/2007

Property & Casualty Transmittal Document---

15.	Reference Filing?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
16.	Reference Organization (if applicable)		
17.	Reference Organization # & Title		
18.	Company's Date of Filing		
19.	Status of filing in domicile	<input type="checkbox"/> Not Filed	<input type="checkbox"/> Pending
		<input type="checkbox"/> Authorized	<input type="checkbox"/> Disapproved

20.	This filing transmittal is part of Company Tracking #	
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21.	Filing Description [This area can be used in lieu of a cover letter or filing memorandum and is free-form text]
------------	--

This filing is in response to the Terrorism Risk Insurance Program Reauthorization Act of 2007.

We are proposing to make the following changes to our Advantage Commercial Package product. Specifically we wish to:

- ✚ Replace our existing **Cap On Losses From Certified Acts Of Terrorism** form **FA-13216** with a new 'a' version.
- ✚ Withdraw our existing **Exclusion Of Certified Acts Of Terrorism** form **FA-13222**.
- ✚ Introduce **Exclusion Of Certified Acts Of Terrorism** for **FA-13217a**.
- ✚ Replace our existing **Exclusion Of Certified Acts Of Terrorism Involving Nuclear, Biological Or Chemical Terrorism; Cap On Covered Certified Acts Losses** form **FA-16479** with a new 'a' version that has a new title of **Exclusion Of Certified Acts Of Terrorism Involving Nuclear, Biological, Chemical Or Radiological Terrorism; Cap On Covered Certified Acts Losses**.
- ✚ Replace our existing **Limitation Of Coverage For Certified Acts Of Terrorism (Sub-Limit On Annual Aggregate Basis)** form **FA-16480** with a new 'a' version.
- ✚ Replace our existing form usage rules with the attached rules that have been updated to reflect the changes to the provisions of the Reauthorization Act and the revised endorsements and their usage.

22.	Filing Fees (Filer must provide check # and fee amount if applicable) [If a state requires you to show how you calculated your filing fees, place that calculation below]
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Check #: EFT
Amount: \$50.00

Refer to each state's checklist for additional state specific requirements or instructions on calculating fees.

*****Refer to each state's checklist for additional state specific requirements (i.e. # of additional copies required, other state specific forms, etc.)**

FORM FILING SCHEDULE

(This form must be provided **ONLY** when making a filing that includes forms)

(Do **not** refer to the body of the filing for the forms listing, unless allowed by state.)

1.	This filing transmittal is part of Company Tracking #	08-CML-2007521(F)			
2.	This filing corresponds to rate/rule filing number <small>(Company tracking number of rate/rule filing, if applicable)</small>	08-CML-2007521(R)			
3.	Form Name /Description/Synopsis	Form # Include edition date	Replacement Or withdrawn?	If replacement, give form # it replaces	Previous state filing number, if required by state
01	CAP on Losses From Certified Acts or Terrorism	FA-13216a (01/08)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
02	Exclusion of Certified Acts of Terrorism	FA-13217a (01/08)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
03	Exclusion of Certified Acts of Terrorisms Involving Nuclear, Biological, Chemical or Radio9logical Terrorism; CAP on Covered Certified Acts Losses	FA-16479a (01/08)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
04	Limitatkion of Coverage for Certified Acts of Terrorism (Sub-Limit on Annual Aggregate Basis)	FA-16480a (01/08)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
05			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
06			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
07			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
08			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
09			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
10			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		



ace usa

ACE USA 215-640-4876 tel
Regulatory Compliance 215-640-4986 fax
Routing WB04G
510 Walnut Street, 4th Floor Renice.cox@ace-ina.com
P.O. Box 1000 www.ace-ina.com
Philadelphia, PA 19106

Renice Cox
Regulatory Specialist

February 11, 2008

Arkansas Department of Insurance

	<u>NAIC</u>	<u>FEIN</u>
RE: ACE AMERICAN INSURANCE COMPANY	22667	95-2371728
ACE FIRE UNDERWRITERS INSURANCE COMPANY	20702	0606032187
ACE PROPERTY AND CASUALTY INSURANCE COMPANY	20699	06-0237820
BANKERS STANDARD INSURANCE COMPANY	18279	59-1320184
INSURANCE COMPANY OF NORTH AMERICA	22713	23-0723970
PACIFIC EMPLOYERS INSURANCE COMPANY	22748	95-1077060

Terrorism Risk Insurance Program Reauthorization Act of 2007
Commercial Multi Line
Rules and Forms
Our Filing Number 08-CML-2007521

Dear Commissioner:

This filing is in response to the Terrorism Risk Insurance Program Reauthorization Act of 2007.

We are also proposing to make changes to our Advantage Commercial Package product. Please see the Filing Memorandum for specifics changes.

The changes we have made to our forms and form usage rules are substantively similar to the changes the Insurance Services Office, Inc. made in their reference filings **CL-2007-OTRP1** and **CL-2007-RTRP1**.

Finally, we are providing you with copies of our policyholder disclosure notices, TR-19604c (01/08) and TRIA-15c (01/08) for informational purposes only.

We intend to make these changes effective 12/26/07 or the earliest date you will permit.

If you have any questions or need any additional information please let me know.

Sincerely,

Renice Cox

CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM

Name Insured			Endorsement Number
Policy Symbol	Policy Number	Policy Period	Effective Date of Endorsement
			TO
Issued by (Name of Insurance Company)			

Insert the policy number. The remainder of the information is to be completed only when this endorsement is issued subsequent to the preparation of the policy.

THIS ENDORSEMENT CHANGES YOUR POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

**COMMERCIAL PROPERTY COVERAGE FORM
COMMERCIAL INLAND MARINE COVERAGE PART**

A. Cap On Certified Terrorism Losses

"Certified act of terrorism" means an 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 pursuant to the federal Terrorism Risk Insurance Act. The criteria contained in the Terrorism Risk Insurance Act for a "certified act of terrorism" include the following:

1. The act resulted in insured losses in excess of \$5 million in the aggregate, attributable to all types of insurance subject to the Terrorism Risk Insurance Act; and
2. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is 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.

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) and we have met our insurer deductible under the Terrorism Risk Insurance Act, we shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.

B. Application Of Exclusions

The terms and limitations of any terrorism exclusion, or the inapplicability or omission of a terrorism exclusion, do not serve to create coverage for any loss which would otherwise be excluded under this Coverage Part or Policy, such as losses excluded by the "Nuclear Activity" Exclusion or the "War" Exclusion.

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- Deleted: With respect to any one or more "certified acts of terrorism" under the federal Terrorism Risk Insurance Act of 2002, we will not pay any amounts for which we are not responsible under the terms of that Act (including subsequent action of Congress pursuant to the Act) due to the application of any clause which results in a cap on our liability for payments for terrorism losses.¶
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Authorized Agent

EXCLUSION OF CERTIFIED ACTS OF TERRORISM

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Name Insured			Endorsement Number
Policy Symbol	Policy Number	Policy Period	Effective Date of Endorsement
			TO
Issued by (Name of Insurance Company)			

Insert the policy number. The remainder of the information is to be completed only when this endorsement is issued subsequent to the preparation of the policy.

THIS ENDORSEMENT CHANGES YOUR POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

**COMMERCIAL PROPERTY COVERAGE FORM
COMMERCIAL INLAND MARINE COVERAGE PART**

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SCHEDULE

The **Exception Covering Certain Fire Losses** (Paragraph C) applies to property located in the following state(s), if covered under the indicated Coverage Form, Coverage Part or Policy:

<u>State(s)</u>	<u>Coverage Form, Coverage Part Or Policy</u>
<u>Information required to complete this Schedule, if not shown above, will be shown in the Declarations.</u>	

A. The following definition is added with respect to the provisions of this endorsement:

"Certified act of terrorism" means an 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 pursuant to the federal Terrorism Risk Insurance Act. The criteria contained in the Terrorism Risk Insurance Act for a "certified act of terrorism" include the following:

1. The act resulted in insured losses in excess of \$5 million in the aggregate, attributable to all types of insurance subject to the Terrorism Risk Insurance Act; and
2. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is 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.

B. The following exclusion is added:

CERTIFIED ACT OF TERRORISM EXCLUSION

We will not pay for loss or damage caused directly or indirectly by a "certified act of terrorism". Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss.

C. **Exception Covering Certain Fire Losses**

The following exception to the exclusion in Paragraph B. applies only if indicated and as indicated in the Schedule of this endorsement.

If a "certified act of terrorism" results in fire, we will pay for the loss or damage caused by that fire. Such coverage for fire applies only to direct loss or damage by fire to Covered Property. Therefore, for example, the coverage does not apply to insurance provided under Loss of Income and/or Extra Expense coverage, or endorsements which apply to such coverage, or to the Legal Liability Coverage Form.

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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) and we have met our insurer deductible under the Terrorism Risk Insurance Act, we shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.

D. Application Of Other Exclusions

The terms and limitations of any terrorism exclusion, or the inapplicability or omission of a terrorism exclusion, do not serve to create coverage for any loss which would otherwise be excluded under this Coverage Form, Coverage Part or Policy, such as losses excluded by the "Nuclear Activity" Exclusion or the "War" Exclusion.

Authorized Agent

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**EXCLUSION OF CERTIFIED ACTS OF TERRORISM INVOLVING NUCLEAR,
BIOLOGICAL, CHEMICAL OR RADIOLOGICAL TERRORISM; CAP ON COVERED
CERTIFIED ACTS LOSSES**

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Name Insured			Endorsement Number
Policy Symbol	Policy Number	Policy Period	Effective Date of Endorsement
			TO
Issued by (Name of Insurance Company)			

Insert the policy number. The remainder of the information is to be completed only when this endorsement is issued subsequent to the preparation of the policy.

THIS ENDORSEMENT CHANGES YOUR POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

**COMMERCIAL PROPERTY COVERAGE FORM
COMMERCIAL INLAND MARINE COVERAGE PART**

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Page 1 of 2

SCHEDULE

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The **Exception Covering Certain Fire Losses** (Paragraph C) applies to property located in the following state(s), if covered under the indicated Coverage Form, Coverage Part or Policy:

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State(s)	Coverage Form, Coverage Part <u>Or</u> Policy

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Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

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A. The following definition is added with respect to the provisions of this endorsement:

"Certified act of terrorism" means an 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 pursuant to the federal Terrorism Risk Insurance Act. The criteria contained in the Terrorism Risk Insurance Act for a "certified act of terrorism" include the following:

1. The act resulted in insured losses in excess of \$5 million in the aggregate, attributable to all types of insurance subject to the Terrorism Risk Insurance Act; and
2. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is 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.

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B. The following exclusion is added:

LIMITED EXCLUSION OF CERTIFIED ACTS OF TERRORISM

We will not pay for loss or damage caused directly or indirectly by a "certified act of terrorism". Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss. But this exclusion applies only when one or more of the following are attributed to such act:

1. The terrorism is carried out by means of the dispersal or application of radioactive material, or through the use of a nuclear weapon or device that involves or produces a nuclear reaction, nuclear radiation or radioactive contamination; or
2. Radioactive material is released, and it appears that one purpose of the terrorism was to release such material; or
3. The terrorism is carried out by means of the dispersal or application of pathogenic or poisonous biological or chemical material; or
4. Pathogenic or poisonous biological or chemical material is released, and it appears that one purpose of the terrorism was to release such material.

When this terrorism exclusion applies in accordance with the terms of Paragraph **B.1.** or **B.2.**, the terrorism exclusion applies without regard to the "Nuclear Activity" Exclusion in this Coverage Form, Coverage Part or Policy.

C. Exception Covering Certain Fire Losses

The following exception to the exclusion in Paragraph B. applies only if indicated and as indicated in the Schedule of this endorsement.

If a "certified act of terrorism" excluded under Paragraph **B.** results in fire, we will pay for the loss or damage caused by that fire, subject to all applicable policy provisions including the Coverage Limit on the affected property. Such coverage for fire applies only to direct loss or damage by fire to Covered Property. Therefore, for example, the coverage does not apply to insurance provided under Loss of Income and/or Extra Expense coverage or endorsements that apply to those coverages or to the Legal Liability Coverage Form.

D. Cap On Certified Terrorism Losses

The following limitation applies to coverage for any one or more "certified acts of terrorism" that are not excluded by the terms of the exclusion in Paragraph **B.** and to any loss or damage that is covered and to which the exception in Paragraph **C.** applies:

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) and we have met our insurer deductible under the Terrorism Risk Insurance Act, we shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.

E. Application Of Exclusions

The terms and limitations of any terrorism exclusion, or the non-applicability or omission of a terrorism exclusion, do not serve to create coverage for any loss which would otherwise be excluded under this Coverage Form, Coverage Part or Policy, such as losses excluded by the "War" Exclusion.

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Deleted: We will not pay any amounts for which we are not responsible under the terms of the Terrorism Risk Insurance Act of 2002 (including subsequent action of Congress pursuant to the Act) due to the application of any clause which results in a cap on our liability for payments for terrorism losses.¶

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Authorized Agent

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Page 1 of 2¶

**LIMITATION OF COVERAGE FOR CERTIFIED ACTS OF
TERRORISM (SUB-LIMIT ON ANNUAL AGGREGATE BASIS)**

Name Insured			Endorsement Number
Policy Symbol	Policy Number	Policy Period	Effective Date of Endorsement
			TO
Issued by (Name of Insurance Company)			

Insert the policy number. The remainder of the information is to be completed only when this endorsement is issued subsequent to the preparation of the policy.

THIS ENDORSEMENT CHANGES YOUR POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

**COMMERCIAL PROPERTY COVERAGE FORM
COMMERCIAL INLAND MARINE COVERAGE PART**

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SCHEDULE

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SCHEDULE PART I – Applicability Of Terrorism Sub-Limit

Coverage Form, Coverage Part <u>Or Policy</u>	Description Of Property Or Coverage	Certified Acts Sub-Limit

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**SCHEDULE PART II – Exception: Non-Applicability Of Certified Acts Sub-Limit To Certain Fire Losses
(refer to Paragraph D.):**

State(s)	Coverage Form, Coverage Part <u>Or Policy</u>

Deleted: or

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

Deleted: * Information required to complete the Schedule, if not shown on this endorsement, will be shown in the Declarations. ¶

A. The following definition is added with respect to the provisions of this endorsement:

"Certified act of terrorism" means an 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 pursuant to the federal Terrorism Risk Insurance Act. The criteria contained in the Terrorism Risk Insurance Act for a "certified act of terrorism" include the following:

1. The act resulted in insured losses in excess of \$5 million in the aggregate, attributable to all types of insurance subject to the Terrorism Risk Insurance Act; and
2. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is 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.

D. Exception: Non-Applicability Of The Certified Acts Sub-Limit To Certain Fire Losses

The following exception applies only with respect to property located in the states indicated in Part II of the Schedule of this endorsement, if covered under the Coverage Form, Coverage Part or Policy indicated therein. The exception relates only to loss or damage caused by a "certified act of terrorism".

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B. Application Of Exclusions

The terms and limitations of any terrorism exclusion, or the non-applicability or omission of a terrorism exclusion, do not serve to create coverage for any loss which would otherwise be excluded under this Coverage Form, Coverage Part or Policy, such as losses excluded by the "Nuclear Activity" Exclusion or the "War" Exclusion.

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C. Limitation Of Amount Of Coverage For Certified Acts Of Terrorism

When coverage applies to loss or damage caused by a "certified act of terrorism", the full Coverage Limit on the affected property or coverage does not apply to such loss or damage. Instead, the following limitation applies to the loss or damage. The limitation applies even if another Covered Cause of Loss contributes concurrently or in any sequence to the loss or damage, except as otherwise provided in this endorsement.

The Certified Acts Sub-Limit is the most we will pay for the total of all loss or damage (sustained under the coverage to which the Sub-Limit applies) caused by one or more "certified acts of terrorism" in an annual policy period. If losses from a "certified act of terrorism" do not exhaust the Certified Acts Sub-Limit, then the balance of that Sub-Limit is available for losses from a later act(s) that occurs in the same annual policy period. If a "certified act of terrorism" begins during one annual policy period and ends during the following annual policy period, the only amount of coverage available is the Sub-Limit (or balance of it) applicable to the annual policy period in which such act began.

Amounts payable under a Coverage Extension, Additional Coverage or similar provision in the policy do not increase the Certified Acts Sub-Limit.

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When covered direct loss or damage attributable to fire exceeds the amount of the Sub-Limit, we will pay the full amount of the fire loss, up to the Coverage Limit on the affected property, subject to policy provisions including Deductible and How to Calculate the Value of Property. In that circumstance, the Coverage Limit is the most we will pay for the total of all covered direct loss or damage by fire and any other effect of the "certified act of terrorism" and any other Covered Cause of Loss that contributes concurrently or in any sequence to the loss or damage.

When covered direct loss or damage attributable to fire is less than the Sub-Limit, then the Sub-Limit is the most we will pay for the total of fire and any other covered loss or damage.

This Paragraph, **D.**, does not apply to insurance provided under Loss of Income and/or Extra Expense coverage or endorsements that apply to those coverages or to the Legal Liability Coverage Form. Therefore, when a Sub-Limit is shown for those coverages, the Sub-Limit for those coverages is the maximum recoverable regardless of whether fire is an effect of the "certified act of terrorism".

E. Cap On Certified Terrorism Losses

~~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) and we have met our insurer deductible under the Terrorism Risk Insurance Act, we shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.~~

Deleted: With respect to any one or more "certified acts of terrorism", we will not pay any amounts for which we are not responsible under the terms of the Terrorism Risk Insurance Act of 2002 (including subsequent action of Congress pursuant to the Act) due to the application of any clause which results in a cap on our liability for payments for terrorism losses.¶

F. Coinsurance

The Coinsurance Agreement Condition in this policy does not apply to the coverage addressed in this endorsement.

Authorized Agent

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**POLICYHOLDER DISCLOSURE
NOTICE OF TERRORISM
INSURANCE COVERAGE**

You are notified that under the Terrorism Risk Insurance Act, as amended, 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. 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.

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 BY THE UNITED STATES GOVERNMENT UNDER A FORMULA ESTABLISHED BY FEDERAL LAW. 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 PREMIUM CHARGED FOR THIS COVERAGE IS PROVIDED BELOW AND DOES NOT INCLUDE ANY CHARGES FOR THE PORTION OF LOSS THAT MAY BE COVERED BY THE FEDERAL GOVERNMENT UNDER THE ACT.

YOU SHOULD ALSO KNOW THAT THE TERRORISM RISK INSURANCE ACT, AS AMENDED, CONTAINS A \$100 BILLION CAP THAT LIMITS U.S. 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.

Acceptance or Rejection of Terrorism Insurance Coverage

	I hereby elect to purchase terrorism coverage for a prospective premium of \$_____
	I hereby decline to purchase terrorism coverage for certified acts of terrorism. I understand that I will have no coverage for losses resulting from certified acts of terrorism.

Policyholder/Applicant's Signature

Insurance Company

Print Name

Policy Number

Date



Insurance Company

Policyholder

Policy Number

Broker/Producer

POLICYHOLDER DISCLOSURE NOTICE OF TERRORISM INSURANCE COVERAGE

You were notified that under the Terrorism Risk Insurance Act, as amended, that you have the right to purchase insurance coverage for losses resulting from 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 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.

YOU SHOULD KNOW THAT WHERE COVERAGE IS PROVIDED FOR LOSSES RESULTING FROM CERTIFIED ACTS OF TERRORISM, SUCH LOSSES MAY BE PARTIALLY REIMBURSED BY THE UNITED STATES GOVERNMENT UNDER A FORMULA ESTABLISHED BY FEDERAL LAW. HOWEVER, SUCH POLICIES MAY CONTAIN OTHER EXCLUSIONS WHICH MIGHT AFFECT 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 PREMIUM FOR THIS COVERAGE IS PROVIDED BELOW AND DOES NOT INCLUDE ANY CHARGES FOR THE PORTION OF LOSS THAT MAY BE COVERED BY THE FEDERAL GOVERNMENT UNDER THE ACT.

YOU SHOULD ALSO KNOW THAT THE TERRORISM RISK INSURANCE ACT, AS AMENDED, CONTAINS A \$100 BILLION CAP THAT LIMITS U.S. 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, COVERAGE MAY BE REDUCED.

You elected **NOT** to purchase terrorism coverage under the Act at the price indicated. ACCORDINGLY, WE WILL **NOT** PROVIDE THIS COVERAGE AND YOU DO NOT OWE THE ADDITIONAL PREMIUM FOR THAT COVERAGE INDICATED BELOW.

Terrorism coverage described by the Act under your policy was made available to you for additional premium in the amount of \$_____, however you elected to decline such coverage.

FILING MEMORANDUM

This filing is in response to the Terrorism Risk Insurance Program Reauthorization Act of 2007.

We are proposing to make the following changes to our Advantage Commercial Package product. Specifically we wish to:

- ✚ Replace our existing **Cap On Losses From Certified Acts Of Terrorism** form **FA-13216** with a new 'a' version.
- ✚ Withdraw our existing **Exclusion Of Certified Acts Of Terrorism** form **FA-13222**.
- ✚ Introduce **Exclusion Of Certified Acts Of Terrorism** for **FA-13217a**.
- ✚ Replace our existing **Exclusion Of Certified Acts Of Terrorism Involving Nuclear, Biological Or Chemical Terrorism; Cap On Covered Certified Acts Losses** form **FA-16479** with a new 'a' version that has a new title of **Exclusion Of Certified Acts Of Terrorism Involving Nuclear, Biological, Chemical Or Radiological Terrorism; Cap On Covered Certified Acts Losses**.
- ✚ Replace our existing **Limitation Of Coverage For Certified Acts Of Terrorism (Sub-Limit On Annual Aggregate Basis)** form **FA-16480** with a new 'a' version.
- ✚ Replace our existing form usage rules with the attached rules that have been updated to reflect the changes to the provisions of the Reauthorization Act and the revised endorsements and their usage.

The changes we have made to our forms and form usage rules are substantively similar to the changes the Insurance Services Office, Inc. made in their reference filings **CL-2007-OTRP1** and **CL-2007-RTRP1**.

Finally, we are providing you with copies of our policyholder disclosure notices, TR-19604c (01/08) and TRIA-15c (01/08) for informational purposes only.

We intend to make these changes effective 12/26/07 or the earliest date you will permit.

There is no rate impact associated with this change.