

SERFF Tracking Number: AERO-125515703 State: Arkansas  
Filing Company: Phoenix Indemnity Insurance Company State Tracking Number: EFT \$50  
Company Tracking Number: AP AR 99-03-08-001  
TOI: 22.0 Aircraft Sub-TOI: 22.0000 Aircraft  
Product Name: Broad Form Airport Liability 2000 Program  
Project Name/Number: Broad Form Airport Liability Terrorism Form filing/AP AR 99-03-08-001

## Filing at a Glance

Company: Phoenix Indemnity Insurance Company

Product Name: Broad Form Airport Liability 2000 Program SERFF Tr Num: AERO-125515703 State: Arkansas

TOI: 22.0 Aircraft

SERFF Status: Closed

State Tr Num: EFT \$50

Sub-TOI: 22.0000 Aircraft

Co Tr Num: AP AR 99-03-08-001

State Status: Fees verified and received

Filing Type: Form

Co Status:

Reviewer(s): Betty Montesi, Edith Roberts, Brittany Yielding

Authors: Tom Murphy, Chris Smith

Disposition Date: 03/13/2008

Date Submitted: 03/03/2008

Disposition Status: Accepted For Informational Purposes

Effective Date Requested (New): 03/15/2008

Effective Date (New):

Effective Date Requested (Renewal): 03/15/2008

Effective Date (Renewal):

State Filing Description:

## General Information

Project Name: Broad Form Airport Liability Terrorism Form filing

Status of Filing in Domicile: Authorized

Project Number: AP AR 99-03-08-001

Domicile Status Comments: NONE

Reference Organization: NONE

Reference Number: NONE

Reference Title: NONE

Advisory Org. Circular: NONE

Filing Status Changed: 03/13/2008

State Status Changed: 03/13/2008

Deemer Date:

Corresponding Filing Tracking Number:

Filing Description:

The Phoenix Indemnity Insurance Company (PIIC) – Broad Form Airport Liability 2000 Program is approved for use in your state. This filing updates the initial filing as respects to the Federal Terrorism Risk Insurance Act. PIIC is filing the new forms under the Fast Track "file & use" procedure as it applies to this filing.

Aerospace Insurance Managers, Inc. filed and recently received approval for two Airport Liability Terrorism Forms:

SERFF Tracking Number: AERO-125515703 State: Arkansas  
Filing Company: Phoenix Indemnity Insurance Company State Tracking Number: EFT \$50  
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1. Cap on Losses From Certified Acts of Terrorism AP2003B (01/08)
2. Exclusion of Certified Acts of Terrorism AP2003C (01/08)

A closer review of the Terrorism Forms, listed above, reveals that some of the Form's Format and/or Form's Layout should be improved to better match up with the Format of the Broad Form Airport Liability Policy. Therefore the purpose of this filing is to file revised Terrorism Form.

These changes or revisions proposed in this filing do not alter the coverage by adding broader coverage or by adding restrictions to the coverage.

## Company and Contact

### Filing Contact Information

Thomas Murphy, Compliance Officer tmurphy@aerospaceim.com  
14990 Landmark Blvd., Suite 300 (972) 852-1200 [Phone]  
Dallas, TX 75254 (972) 852-1212[FAX]

### Filing Company Information

Phoenix Indemnity Insurance Company CoCode: 34037 State of Domicile: Arizona  
14651 Dallas Parkway Group Code: 3478 Company Type: Property & Casualty

Suite 400  
Dallas, TX 75254 Group Name: Hallmark Financial State ID Number:  
Group  
(972) 934-2400 ext. [Phone] FEIN Number: 47-0718164  
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## Filing Fees

Fee Required? Yes  
Fee Amount: \$50.00  
Retaliatory? No  
Fee Explanation: Arkansas form filing fee  
Per Company: No

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| COMPANY                             | AMOUNT  | DATE PROCESSED | TRANSACTION # |
|-------------------------------------|---------|----------------|---------------|
| Phoenix Indemnity Insurance Company | \$50.00 | 03/03/2008     | 18268992      |

SERFF Tracking Number: AERO-125515703 State: Arkansas  
Filing Company: Phoenix Indemnity Insurance Company State Tracking Number: EFT \$50  
Company Tracking Number: AP AR 99-03-08-001  
TOI: 22.0 Aircraft Sub-TOI: 22.0000 Aircraft  
Product Name: Broad Form Airport Liability 2000 Program  
Project Name/Number: Broad Form Airport Liability Terrorism Form filing/AP AR 99-03-08-001

## Correspondence Summary

### Dispositions

| Status  | Created By | Created On | Date Submitted |
|---|------------|------------|----------------|
| Accepted For Edith Roberts<br>Informational<br>Purposes |            | 03/13/2008 | 03/13/2008     |

*SERFF Tracking Number:* AERO-125515703      *State:* Arkansas  
*Filing Company:* Phoenix Indemnity Insurance Company      *State Tracking Number:* EFT \$50  
*Company Tracking Number:* AP AR 99-03-08-001  
*TOI:* 22.0 Aircraft      *Sub-TOI:* 22.0000 Aircraft  
*Product Name:* Broad Form Airport Liability 2000 Program  
*Project Name/Number:* Broad Form Airport Liability Terrorism Form filing/AP AR 99-03-08-001

## **Disposition**

Disposition Date: 03/13/2008

Effective Date (New):

Effective Date (Renewal):

Status: Accepted For Informational Purposes

Comment:

Rate data does NOT apply to filing.

SERFF Tracking Number: AERO-125515703 State: Arkansas  
 Filing Company: Phoenix Indemnity Insurance Company State Tracking Number: EFT \$50  
 Company Tracking Number: AP AR 99-03-08-001  
 TOI: 22.0 Aircraft Sub-TOI: 22.0000 Aircraft  
 Product Name: Broad Form Airport Liability 2000 Program  
 Project Name/Number: Broad Form Airport Liability Terrorism Form filing/AP AR 99-03-08-001

| Item Type           | Item Name   | Item Status                         | Public Access |
|---------------------|---|-------------------------------------|---------------|
| Supporting Document | Uniform Transmittal Document-Property & Casualty        | Accepted for Informational Purposes | Yes           |
| Supporting Document | Supporting Documents                                    | Accepted for Informational Purposes | Yes           |
| Form                | Cap On Losses From Certified Acts of Terrorism          | Accepted for Informational Purposes | Yes           |
| Form                | Definition and Exclusion of Certified Acts of Terrorism | Accepted for Informational Purposes | Yes           |

SERFF Tracking Number: AERO-125515703 State: Arkansas  
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 TOI: 22.0 Aircraft Sub-TOI: 22.0000 Aircraft  
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## Form Schedule

| Review Status                        | Form Name   | Form #  | Edition Date | Form Type Action                 | Action Specific Data  | Readability | Attachment          |
|--------------------------------------|---|---------|--------------|----------------------------------|---|-------------|---------------------|
| Accepted for Information al Purposes | Cap On Losses From Certified Acts of Terrorism          | AP2003B | (02/08)      | Endorsement/Amendment/Conditions | Replaced Form #:0.00 AP2003B (01/08) Previous Filing #: State TR #13517 |             | AP2003B (02-08).pdf |
| Accepted for Information al Purposes | Definition and Exclusion of Certified Acts of Terrorism | AP2003C | (02/08)      | Endorsement/Amendment/Conditions | Replaced Form #:0.00 AP2003C (01/08) Previous Filing #: State TR #13517 |             | AP2003C (02-08).pdf |

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## Cap On Losses From Certified Acts Of Terrorism

The following is added to your Policy

If aggregate insured losses attributable to **certified act(s) of terrorism** exceed \$100 billion in a Program Year (January 1 through December 31) and **we** have met **our** insurer deductible under the Federal 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.

### PART I DEFINITIONS OF TERMS USED IN THE POLICY

#### 20. Certified Act of Terrorism

**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 Federal Terrorism Risk Insurance Act for a **certified act of terrorism** include the following:

- A. The act resulted in insured losses in excess of \$5 million in the aggregate, attributable to all types of insurance subject to the Federal Terrorism Risk Insurance Act; and
- B. 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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The following information is required only when the effective date of this endorsement is subsequent to the Policy effective date.

This endorsement is Endorsement No.  
This endorsement is effective on  
Attached to and forming a part of Policy No.  
Issued to (First Named Insured):  
Additional Premium:

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## Definition and Exclusion Of Certified Acts Of Terrorism

The following is added to **your** Policy:

### A. PART I DEFINITIONS OF TERMS USED IN THE POLICY

**20. 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 Federal Terrorism Risk Insurance Act for a **certified act of terrorism** include the following:

- A. The act resulted in insured losses in excess of \$5 million in the aggregate, attributable to all types of insurance subject to the Federal Terrorism Risk Insurance Act; and
- B. 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. PART IV EXCLUSIONS:

This Policy does not apply to:

**19 Bodily injury or property damage** caused by or arising out of any **certified act(s) of terrorism**.

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The following information is required only when the effective date of this endorsement is subsequent to the Policy effective date.

This endorsement is Endorsement No.  
This endorsement is effective on  
Attached to and forming a part of Policy No.  
Issued to (First Named Insured):  
Additional Premium:

*SERFF Tracking Number:* AERO-125515703      *State:* Arkansas  
*Filing Company:* Phoenix Indemnity Insurance Company      *State Tracking Number:* EFT \$50  
*Company Tracking Number:* AP AR 99-03-08-001  
*TOI:* 22.0 Aircraft      *Sub-TOI:* 22.0000 Aircraft  
*Product Name:* Broad Form Airport Liability 2000 Program  
*Project Name/Number:* Broad Form Airport Liability Terrorism Form filing/AP AR 99-03-08-001

## **Rate Information**

Rate data does NOT apply to filing.

SERFF Tracking Number: AERO-125515703 State: Arkansas  
Filing Company: Phoenix Indemnity Insurance Company State Tracking Number: EFT \$50  
Company Tracking Number: AP AR 99-03-08-001  
TOI: 22.0 Aircraft Sub-TOI: 22.0000 Aircraft  
Product Name: Broad Form Airport Liability 2000 Program  
Project Name/Number: Broad Form Airport Liability Terrorism Form filing/AP AR 99-03-08-001

## Supporting Document Schedules

**Satisfied -Name:** Uniform Transmittal Document-Property & Casualty  
**Review Status:** Accepted for Informational Purposes 03/13/2008

**Comments:**  
NAIC Transmittal Attached.

**Attachment:**  
AP AR 99-03-08-001.pdf

**Satisfied -Name:** Supporting Documents  
**Review Status:** Accepted for Informational Purposes 03/13/2008

**Comments:**  
Form Comparisons to previous Forms attached.  
Company letter of authorization attached.  
Filing memo attached.

Policyholder notices attached

**Attachments:**  
AP2003B R (02-08).pdf  
AP2003C R (02-08).pdf  
PIIC Airport Liability (03-08) Filing Memo.pdf  
PIIC Filing Authorization Ltr.pdf  
AP LIA PHT 002 (01-08).pdf  
AP LIA PHT 003 (01-08).pdf

**EXPEDITED FILING TRANSMITTAL DOCUMENT**

**FOR TERRORISM**

This page applies to the following state(s) AR

|  |
|--|
| Indicate Type of Filing  |
| <input type="checkbox"/> Filing Related to <i>Certified Losses</i>                               |
| <input type="checkbox"/> Filing Related to <i>Non-Certified Losses</i>                           |
| <input checked="" type="checkbox"/> Filing Applicable to Both Certified and Non-Certified Losses |

|                     |
|---------------------|
| Department Use only |
|                     |

| Company Name(s)                     | Domicile | NAIC # | FEIN #     |
|-------------------------------------|----------|--------|------------|
| Phoenix Indemnity Insurance Company | Arizona  | 34037  | 47-0718164 |

**Contact Info for Filer**

| Name and address of Filer(s)   | Telephone #    | FAX #          | e-mail                  |
|--|----------------|----------------|-------------------------|
| Thomas A. Murphy<br>14990 Landmark Blvd., Suite 300<br>Dallas, Texas 75254 | (888) 880-1289 | (972) 852.1212 | tmurpju@aerospaceim.com |

**Filing information**

|   |   |
|---|---|
| <b>Line of Insurance</b> (see attachment)                       | Aircraft ASL 22                           |
| <b>Company Program Title</b> (Marketing title) (if applicable)  | Broad Form Airport Liability 2000 Program |
| <b>Filing Type</b> ** see note below                            | Terrorism Form Filing                     |
| <b>This application is used with:</b>                           | Broad Form Airport Liability 2000 Policy  |
| <b>Effective Date Requested</b>                                 | March 15, 2008                            |
| <b>Filing date</b>  | February 28, 2008                         |
| <b>Company Tracking Number</b>                                  | AP AR 99 03-08-001                        |
| <b>Date filing approved in domiciliary state, if applicable</b> | Approved March 1, 2008                    |

|    | <u>Component/Form Name /Description/Synopsis</u>        | <u>Form # or Rate Page Include edition date</u> | <u>Replacement Or withdrawn?</u>  | <u>If replacement, give form # or rate page(s) it replaces</u> | <u>Previous State Filing Number, if required by state</u> |
|----|---|---|---|--|---|
| 01 | Cap On Losses From Certified Acts of Terrorism          | AP2003B (02/08)                                 | <input checked="" type="checkbox"/> Replacement<br><input type="checkbox"/> Withdrawn<br><input type="checkbox"/> Neither | AP2003B (01/08)  |   |
| 02 | Definition and Exclusion of Certified Acts of Terrorism | AP2003C (02/08)                                 | <input checked="" type="checkbox"/> Replacement<br><input type="checkbox"/> Withdrawn<br><input type="checkbox"/> Neither | AP2003C (01/08)  |   |

To be complete, a form filing must include the following:

- A completed Expedited Filing Transmittal Document for each insurer or advisory organization.
- One copy of each endorsement, disclosure form or other policy language, unless the insurer has given an advisory organization authorization to file them on its behalf.
- A copy of the rates, rating systems and supporting documentation.
- The appropriate filing fees, if required.
- A postage-paid, self-addressed envelope **large enough to accommodate the return.**

The insurer(s) submitting this filing certifies that it:

- Is in compliance with the terms of the Terrorism Risk Insurance Act, as amended, and the laws of this state; and
- Is in compliance with the requirements of the bulletin containing the voluntary expedited filing procedures.

  
Signature

Thomas A. Murphy  
Print Name:

Compliance Officer  
Title:

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## Cap On Losses From Certified Acts Of Terrorism

The following is added to your Policy

If aggregate insured losses attributable to ~~terrorist acts certified under the federal Terrorism Risk Insurance Act~~ **act(s) of terrorism** exceed \$100 billion in a Program Year (January 1 through December 31) and **we** have met **our** insurer deductible under the Federal 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.

### **PART I DEFINITIONS OF TERMS USED IN THE POLICY**

#### **20. Certified Act of Terrorism**

**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 Federal Terrorism Risk Insurance Act for a **certified act of terrorism** include the following:

- A.** The act resulted in insured losses in excess of \$5 million in the aggregate, attributable to all types of insurance subject to the Federal Terrorism Risk Insurance Act; and
- B.** 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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The following information is required only when the effective date of this endorsement is subsequent to the Policy effective date.

This endorsement is Endorsement No.  
This endorsement is effective on  
Attached to and forming a part of Policy No.  
Issued to (First Named Insured):  
Additional Premium:

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## **Definition and Exclusion Of Certified Acts Of Terrorism**

The following ~~exclusion~~ is added to ~~PART IV EXCLUSIONS Paragraph 19~~: ~~This your~~ Policy ~~does not apply to~~:

### ~~19~~ **TERRORISM**

~~A. Any injury or damage arising, directly or indirectly, out of a certified act of terrorism.~~

~~B. The following definitions are added:~~

- ~~1. For the purposes of this endorsement, any injury or damage means any injury or damage covered under the Policy to which this endorsement is applicable, and includes but is not limited to **bodily injury, property damage, personal and advertising injury**, as may be defined in the Policy.~~

### **A. PART I DEFINITIONS OF TERMS USED IN THE POLICY**

**20. 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 Federal Terrorism Risk Insurance Act for a **certified act of terrorism** include the following:

~~a.A.~~ The act resulted in insured losses in excess of \$5 million in the aggregate, attributable to all types of insurance subject to the Federal Terrorism Risk Insurance Act; and

~~b.B.~~ 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. PART IV EXCLUSIONS:**

~~This Policy does not apply to:~~

~~19 Bodily injury or property damage caused by or arising out of any certified act(s) of terrorism.~~

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The following information is required only when the effective date of this endorsement is subsequent to the Policy effective date.

This endorsement is Endorsement No.  
This endorsement is effective on  
Attached to and forming a part of Policy No.  
Issued to (First Named Insured):  
Additional Premium:

**Phoenix Indemnity Insurance Company**  
**Broad Form Airport Liability 2000 Program**  
**Terrorism Risk Insurance Act**  
**Form Filing Memorandum**

The Phoenix Indemnity Insurance Company (PIIC) – Broad Form Airport Liability 2000 Program is approved for use in your state. This filing updates the initial filing as respects to the Federal Terrorism Risk Insurance Act. PIIC is filing the new forms under the Fast Track "file & use" procedure as it applies to this filing.

Aerospace Insurance Managers, Inc. filed and recently received approval for two Airport Liability Terrorism Forms:

1. Cap on Losses From Certified Acts of Terrorism AP2003B (01/08)
2. Exclusion of Certified Acts of Terrorism AP2003C (01/08)

A closer review of the Terrorism Forms, listed above, reveals that some of the Form's Format and/or Form's Layout should be improved to better match up with the Format of the Broad Form Airport Liability Policy. Therefore the purpose of this filing is to file revised Terrorism Form.

These changes or revisions proposed in this filing do not alter the coverage by adding broader coverage or by adding restrictions to the coverage.

The Broad Form Airport Liability 2000 Program Forms that are proposed for our Broad Form Airport Liability Program were developed after review of several research sources such as the Terrorism Insurance Risk Act, NA1C Bulletins, and ISO's Circular distributions. The PIIC proposed Broad Form Airport Liability 2000 Program Forms language tracts the ISO proposed Forms with only a format change that follows The PIIC Broad Form Airport Liability 2000 Policy. The two Forms that are included are:

3. Cap on Losses From Certified Acts of Terrorism AP2003B (02/08)
4. Exclusion of Certified Acts of Terrorism AP2003C (02/08)

The other proposed ISO endorsements are not needed in the Broad Form Airport Liability 2000 Program.

Copies of the comparisons of current forms to previous (01/08) versions of the forms are included in the filing using the underlined for new and ~~for deleted language~~.

The PIIC - Broad Form Airport Liability 2000 Program offers the insured the option to purchase "certified acts of terrorism" coverage or the insured the may reject the offer for "certified acts of terrorism" coverage through the use of Policyholder Disclosure Notice Of Terrorism Insurance Coverage.

The PIIC Policyholder Disclosure Notice Of Terrorism Insurance Coverage also follow the NAIC suggested Policyholder Notifications. The two Forms that are included are:

1. Policyholder Disclosure Notice Of Terrorism Insurance Coverage AP LIA PHT 002 (01/08)
2. Policyholder Disclosure Notice Of Terrorism Insurance Coverage AP LIA PHT 003 (01/08)

PIIC does not plan to make any changes to the rates and rules currently approved for use at this time.



# Phoenix Indemnity Insurance Company

January 25, 2008

RE: *Designation of Filing Authority for the Phoenix Indemnity Insurance Company  
Aviation Insurance Programs*

Dear Commissioner:

Aerospace Insurance Managers, Inc. ("Aerospace") is authorized by the Phoenix Indemnity Insurance Company to submit filings on its behalf for a new aviation program.

The names and titles of the staff at Aerospace authorized to act on behalf of the Phoenix Indemnity Insurance Company with respect to the aviation program shown below. We presume that this letter constitutes sufficient notice to you of our designation of Aerospace Insurance Managers, Inc. as an authorized filer. Please do not hesitate to contact me with any questions.

Aerospace staff authorized to act on our behalf are as follows:

Thomas A. Murphy, Compliance Officer  
Christopher A. Smith, Underwriter

Sincerely,

Christopher C. Jones  
Vice President

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*A Subsidiary of Hallmark Financial Services, Inc.*

14651 Dallas Parkway, Suite 400 ♦ Dallas, Texas 75254 ♦ 972-934-2400 ♦ 972-788-0520

**POLICYHOLDER DISCLOSURE  
NOTICE OF TERRORISM  
INSURANCE COVERAGE**

Coverage for acts of terrorism 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 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 or 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 art 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 US. Government reimbursement as well as insurers' liability for losses resulting from certified acts of terrorism when the amount of such losses exceeds \$100 billion in any one calendar year. If the aggregate insured losses for all insurers exceed \$100 billions, your coverage may be reduced.

The portion of your annual premium that is attributable to coverage for acts of terrorism is \_\_\_\_\_, and does not include any charges for the portion of losses covered by the United States government under the Act.

I ACKNOWLEDGE THAT I HAVE BEEN NOTIFIED THAT UNDER THE TERRORISM RISK INSURANCE ACT, AS AMENDED, ANY LOSSES RESULTING FROM CERTIFIED ACTS OF TERRORISM UNDER MY POLICY COVERAGE MAY BE PARTIALLY REINBURSED BY THE UNITED STATES GOVERNMENT, MAY BE SUBJECT TO A \$100 BILLION CAP THAT MAY REDUCE MY COVERAGE AND I HAVE BEEN NOTIFIED OF THE PORTION OF MY PREMIUM ATTRIBUTABLE TO SUCH COVERAGE

\_\_\_\_\_  
Policyholder/Applicant's Signature

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Date

Name of Insurer: \_\_\_\_\_

Policy Number: \_\_\_\_\_

**POLICYHOLDER DISCLOSURE  
NOTICE OF TERRORISM  
INSURANCE COVERAGE**

You are hereby 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.

|  |   |
|--|---|
|  | 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

\_\_\_\_\_  
Agent