

SERFF Tracking Number: FFDC-125530090 State: Arkansas
First Filing Company: American Automobile Insurance Company, ... State Tracking Number: EFT \$50
Company Tracking Number: TNARMC0208
TOI: 05.1 Commercial Multi-Peril - Non-Liability Sub-TOI: 05.1000 CMP Sub-TOI Combinations
Portion Only
Product Name: Commercial Property TRIPRA Form Revision
Project Name/Number: Commercial Property TRIPRA Form Revision/TNARMC0208

Filing at a Glance

Companies: American Automobile Insurance Company, Associated Indemnity Corporation, Fireman's Fund Insurance Company, National Surety Corporation, The American Insurance Company

Product Name: Commercial Property TRIPRA SERFF Tr Num: FFDC-125530090 State: Arkansas
Form Revision

TOI: 05.1 Commercial Multi-Peril - Non-Liability SERFF Status: Closed State Tr Num: EFT \$50
Portion Only

Sub-TOI: 05.1000 CMP Sub-TOI Combinations Co Tr Num: TNARMC0208 State Status: Fees verified and received

Filing Type: Form Co Status: Reviewer(s): Betty Montesi, Llyweyia Rawlins, Brittany Yielding
Author: Helen Jee Disposition Date: 03/19/2008
Date Submitted: 03/13/2008 Disposition Status: Approved
Effective Date Requested (New): 12/26/2007 Effective Date (New): 12/26/2007
Effective Date Requested (Renewal): 12/26/2007 Effective Date (Renewal): 12/26/2007

State Filing Description:

General Information

Project Name: Commercial Property TRIPRA Form Revision Status of Filing in Domicile:
Project Number: TNARMC0208 Domicile Status Comments:
Reference Organization: Reference Number:
Reference Title: Advisory Org. Circular:
Filing Status Changed: 03/19/2008 Deemer Date:
State Status Changed: 03/19/2008
Corresponding Filing Tracking Number: TNARMC0208
Filing Description:
Property TRIPRA FORM REVISIONS

In response enactment of the Terrorism Risk Insurance Program Reauthorization Act of 2007, enclosed for your

SERFF Tracking Number: FFDC-125530090 State: Arkansas
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Company and Contact

Filing Contact Information

Helen Jee, Filings Analyst hjee@ffic.com
 777 San Marin Drive (415) 899-6721 [Phone]
 Novato, CA 94949 (866) 290-0671[FAX]

Filing Company Information

American Automobile Insurance Company	CoCode: 21849	State of Domicile: Missouri
777 San Marin Drive	Group Code: 761	Company Type:
Novato, CA 94998	Group Name:	State ID Number:
(415) 899-2817 ext. [Phone]	FEIN Number: 22-1608585	

Associated Indemnity Corporation	CoCode: 21865	State of Domicile: California
777 San Marin Drive	Group Code: 761	Company Type:
Novato, CA 94998	Group Name:	State ID Number:
(415) 899-2817 ext. [Phone]	FEIN Number: 22-1708002	

Fireman's Fund Insurance Company	CoCode: 21873	State of Domicile: California
777 San Marin Drive	Group Code: 761	Company Type:
Novato, CA 94998	Group Name:	State ID Number:
(415) 899-3290 ext. [Phone]	FEIN Number: 94-1610280	

National Surety Corporation	CoCode: 21881	State of Domicile: Illinois
777 San Marin Drive	Group Code: 761	Company Type:
Novato, CA 94998	Group Name:	State ID Number:
(415) 899-2817 ext. [Phone]	FEIN Number: 36-2704643	

The American Insurance Company	CoCode: 21857	State of Domicile: Nebraska
777 San Marin Drive	Group Code: 761	Company Type:
Novato, CA 94998	Group Name:	State ID Number:
(415) 899-2817 ext. [Phone]	FEIN Number: 22-0731810	

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Filing Fees

Fee Required? Yes
Fee Amount: \$50.00
Retaliatory? No
Fee Explanation: \$50 per filing
Per Company: No

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
American Automobile Insurance Company	\$50.00	03/13/2008	18612135
Associated Indemnity Corporation	\$0.00	03/13/2008	
Fireman's Fund Insurance Company	\$0.00	03/13/2008	
National Surety Corporation	\$0.00	03/13/2008	
The American Insurance Company	\$0.00	03/13/2008	

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Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Approved	Llyweyia Rawlins	03/19/2008	03/19/2008

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Disposition

Disposition Date: 03/19/2008
Effective Date (New): 12/26/2007
Effective Date (Renewal): 12/26/2007
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	Expedited Filing Transmittal	Approved	Yes
Supporting Document	Markup Copies of Forms	Approved	Yes
Supporting Document	PHMs	Approved	Yes
Supporting Document	Explanatory Memo	Approved	Yes
Form	Certified Acts of Terrorism Exclusion	Approved	Yes
Form	Conditional Exclusion of Terrorism Involving Nuclear, Biological Or Chemical Terrorism (Relating To Disposition Of Federal Terrorism Risk Insurance Act)	Approved	Yes
Form	Conditional Exclusion Of Terrorism (Relating To Disposition of Federal Terrorism Risk Insurance Act)	Approved	Yes
Form	Disclosure Of Premium And Estimated Premium For Certified Acts Of Terrorism Coverage (Pursuant To Terrorism Risk Insurance Act)	Approved	Yes

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Form Schedule

Review Status	Form Name	Form #	Edition Date	Form Type Action	Action Specific Data	Readability	Attachment
Approved	Certified Acts of Terrorism Exclusion	145913	1207	Endorsement/Amendment/Conditions	Replaced Form #:0.00 145913 0103 Previous Filing #: TNNWMC0103		145913 1207Final.pdf
Approved	Conditional Exclusion of Terrorism Involving Nuclear, Biological Or Chemical Terrorism (Relating To Disposition Of Federal Terrorism Risk Insurance Act)	145922	1207	Endorsement/Amendment/Conditions	Replaced Form #:0.00 145922 0406 Previous Filing #: TNNWMC0206		145922 1207Final.pdf
Approved	Conditional Exclusion Of Terrorism (Relating To Disposition of Federal Terrorism Risk Insurance Act)	145923	1207	Endorsement/Amendment/Conditions	Replaced Form #:0.00 145923 0406 Previous Filing #: TNNWMC0206		145923 1207Final.pdf
Approved	Disclosure Of Premium And Estimated Premium For Certified Acts Of Terrorism Coverage (Pursuant To	145927	1207	Endorsement/Amendment/Conditions	Replaced Form #:0.00 145927 0406 Previous Filing #: TNNWMC0207		145927 1207Final.pdf

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**Terrorism Risk
Insurance Act)**

Certified Acts of Terrorism Exclusion – 145913 12 07

Policy Amendment(s) Commercial Property Coverage

This endorsement modifies insurance provided under the following:

Commercial Crime Coverage Part(s)
Commercial Inland Marine Coverage Part(s)
Commercial Property Coverage Part(s)
Farm Coverage Part(s)
Standard Property Policy
American Business Coverage Policy – Section I

I. Certified Acts of Terrorism Exclusion

We will not pay for loss, damage, or any liability 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.

II. Coverage for Certain Fire Losses

- A. 1. If the location of your Covered Property or Property Insured is within a jurisdiction that has a Standard Fire Policy law that does not exempt Commercial Inland Marine, item II.B. (below) further modifies insurance under the following coverage parts:

Commercial Inland Marine Coverage Part(s)
Commercial Property Coverage Part(s)
Farm Coverage Part(s)
Standard Property Policy
American Business Coverage Policy – Section I

2. If the location of your Covered Property or Property Insured is within a jurisdiction that has a Standard Fire Policy law that exempts Commercial Inland Marine, item II.B. (below) further modifies insurance under the following coverage parts:

Commercial Property Coverage Part(s)
Farm Coverage Part(s)
Standard Property Policy
American Business Coverage Policy – Section I

- B. If a **certified act of terrorism** results in fire, then 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 or Property Insured. Therefore, for example, the coverage does not apply to insurance provided under Business Income and/or Extra Expense coverage forms or endorsements which apply to those forms, or to the Legal Liability Coverage Form, or the Leasehold Interest Coverage Form, or the Net Leasehold Coverage Form.

- C. Notwithstanding II.B. above, if aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act, as amended, 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, as amended, then we shall not be liable for the payment of any portion of the amount of such

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One of the **Fireman's Fund Insurance Companies** as named in the policy.



Secretary



President

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.

III. 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 Part, Coverage Section, or Policy, such as losses excluded by the Nuclear Hazard Exclusion or the War And Military Action Exclusion.

IV. Definitions

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, as amended. The criteria contained in that 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 Terrorism Risk Insurance Act, as amended; 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.

- V. All other terms and conditions of the policy remain unchanged.

Conditional Exclusion of Terrorism Involving Nuclear, Biological or Chemical Terrorism (Relating to Disposition of Federal Terrorism Risk Insurance Act) – 145922 12 07

This endorsement changes the policy. Please read it carefully.

This endorsement modifies insurance provided under the following:

- Commercial Crime Coverage Part(s)
- Commercial Inland Marine Coverage Part(s)
- Commercial Property Coverage Part(s)
- Farm Coverage Part(s)
- Standard Property Policy
- American Business Coverage Policy - Section I

Schedule

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

State(s)	Coverage Form, Coverage Part, Coverage Section or Policy

Information required to complete this Endorsement will be shown in the Declarations as applicable to this Endorsement.

A. Applicability of the Provisions of this Endorsement

1. The provisions of this endorsement become applicable commencing on the date when any one or more of the following first occurs. But if your policy (meaning the policy period in which this endorsement applies) begins after such date, then the provisions of this endorsement become applicable on the date your policy begins.
 - a. The Terrorism Risk Insurance Act, as amended (“The Act”), has terminated with respect to the type of insurance provided under this Coverage Form, Coverage Part, Coverage Section or Policy; or

This Form must be attached to Change Endorsement when issued after the policy is written. One of the **Fireman’s Fund Insurance Companies** as named in the policy.



Secretary



President

- b. A renewal, extension or replacement of The Act has become effective without a requirement to make terrorism coverage available to you and with revisions that:
 - (1) Increase our statutory percentage deductible under The Act for terrorism losses. (That deductible determines the amount of all certified terrorism losses we must pay in a calendar year, before the federal government shares in subsequent payment of certified terrorism losses.); or
 - (2) Decrease the federal government's statutory percentage share in potential terrorism losses above such deductible; or
 - (3) Redefine terrorism or make insurance coverage for terrorism subject to provisions or requirements that differ from those that apply to other types of events or occurrences under this policy.
 - 2. If the provisions of this endorsement become applicable, such provisions:
 - a. Supersede any terrorism endorsement already endorsed to this policy that addresses **certified acts of terrorism** and/or **other acts of terrorism**, but only with respect to loss or damage, or your liability for loss or damage, from an incident(s) of terrorism (however defined) that occurs on or after the date when the provisions of this endorsement become applicable; and
 - b. Remain applicable unless we notify you of changes in these provisions, in response to federal law.
 - 3. If the provisions of this endorsement do NOT become applicable, any terrorism endorsement already endorsed to this policy, that addresses **certified acts of terrorism** and/or **other acts of terrorism**, will continue in effect unless we notify you of changes to that endorsement in response to federal law.
- B. The following definition is added and applies under this endorsement wherever the term terrorism is in bold face.

Terrorism means activities against persons, organizations or property of any nature:

- 1. That involve the following or preparation for the following:
 - a. Use or threat of force or violence; or
 - b. Commission or threat of a dangerous act; or
 - c. Commission or threat of an act that interferes with or disrupts an electronic, communication, information, or mechanical system; and
- 2. When one or both of the following applies:
 - a. The effect is to intimidate or coerce a government or the civilian population or any segment thereof, or to disrupt any segment of the economy; or
 - b. It appears that the intent is to intimidate or coerce a government, or to further political, ideological, religious, social or economic objectives or to express (or express opposition to) a philosophy or ideology.

C. The following exclusion is added:

EXCLUSION OF TERRORISM

We will not pay for loss or damage, or your liability for loss or damage, caused directly or indirectly by **terrorism**, including action in hindering or defending against an actual or expected incident of **terrorism**. Such loss or damage, or your liability for 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 an incident of terrorism:**

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 materials; or
4. Pathogenic or poisonous biological or chemical materials are released, and it appears that one purpose of the **terrorism** was to release such materials.

D. Exception Covering Certain Fire Losses

The following exception to the Exclusion Of Terrorism applies only if indicated and as indicated in the Schedule of this endorsement.

If **terrorism** results in fire, then we will pay for the loss or damage, or your liability for loss or damage, caused by that fire, subject to all applicable policy provisions including the Limit of Insurance on the affected property. Such coverage for fire applies only to direct loss or damage by fire to covered Property or Property Insured. Therefore, for example, the coverage does not apply to insurance provided under Business Income and/or Extra Expense coverage forms or endorsements that apply to those coverage forms, or to the Legal Liability Coverage Form, or the Leasehold Interest Coverage Form, or the Net Leasehold Coverage Form.

E. Application of Other Exclusions

1. When the Exclusion Of Terrorism applies in accordance with the terms of C.1. or C.2., such exclusion applies without regard to the Nuclear Hazard Exclusion in this Coverage Form, Coverage Part, Coverage Section or Policy.
2. 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 or damage, or your liability for loss or damage, which would otherwise be excluded under this Coverage Form, Coverage Part, Coverage Section or Policy, such as losses excluded by the Nuclear Hazard Exclusion or the War And Military Action Exclusion.

F. This endorsement is otherwise subject to all terms, conditions, provisions, and stipulations of the policy to which it is attached.

Conditional Exclusion of Terrorism (Relating to Disposition of Federal Terrorism Risk Insurance Act) – 145923 12 07

This endorsement changes the policy. Please read it carefully.

This endorsement modifies insurance provided under the following:

- Commercial Crime Coverage Part(s)**
- Commercial Inland Marine Coverage Part(s)**
- Commercial Property Coverage Part(s)**
- Farm Coverage Part(s)**
- Standard Property Policy**
- American Business Coverage Policy - Section I**

Schedule

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

State(s)	Coverage Form, Coverage Part, Coverage Section or Policy

Information required to complete this Endorsement will be shown in the Declarations as applicable to this Endorsement.

A. Applicability of the Provisions of this Endorsement

1. The provisions of this endorsement become applicable commencing on the date when any one or more of the following first occurs. But if your policy (meaning the policy period in which this endorsement applies) begins after such date, then the provisions of this endorsement become applicable on the date your policy begins.
 - a. The Terrorism Risk Insurance Act, as amended (“The Act”), has terminated with respect to the type of insurance provided under this Coverage Form, Coverage Part, Coverage Section or Policy; or

This Form must be attached to Change Endorsement when issued after the policy is written. One of the **Fireman’s Fund Insurance Companies** as named in the policy.



Secretary



President

- b. A renewal, extension or replacement of The Act has become effective without a requirement to make terrorism coverage available to you and with revisions that:
 - (1) Increase our statutory percentage deductible under The Act for terrorism losses. (That deductible determines the amount of all certified terrorism losses we must pay in a calendar year, before the federal government shares in subsequent payment of certified terrorism losses.); or
 - (2) Decrease the federal government's statutory percentage share in potential terrorism losses above such deductible; or
 - (3) Redefine terrorism or make insurance coverage for terrorism subject to provisions or requirements that differ from those that apply to other types of events or occurrences under this policy.
 - 2. If the provisions of this endorsement become applicable, such provisions:
 - a. Supersede any terrorism endorsement already endorsed to this policy that addresses **certified acts of terrorism** and/or **other acts of terrorism**, but only with respect to loss or damage, or your liability for loss or damage, from an incident(s) of terrorism (however defined) that occurs on or after the date when the provisions of this endorsement become applicable; and
 - b. Remain applicable unless we notify you of changes in these provisions, in response to federal law.
 - 3. If the provisions of this endorsement do NOT become applicable, any terrorism endorsement already endorsed to this policy, that addresses **certified acts of terrorism** and/or **other acts of terrorism**, will continue in effect unless we notify you of changes to that endorsement in response to federal law.
- B. The following definition is added and applies under this endorsement wherever the term terrorism is in bold face.

Terrorism means activities against persons, organizations or property of any nature:

- 1. That involve the following or preparation for the following:
 - a. Use or threat of force or violence; or
 - b. Commission or threat of a dangerous act; or
 - c. Commission or threat of an act that interferes with or disrupts an electronic, communication, information, or mechanical system; and
- 2. When one or both of the following applies:
 - a. The effect is to intimidate or coerce a government or the civilian population or any segment thereof, or to disrupt any segment of the economy; or
 - b. It appears that the intent is to intimidate or coerce a government, or to further political, ideological, religious, social or economic objectives or to express (or express opposition to) a philosophy or ideology.

C. The following exclusion is added:

EXCLUSION OF TERRORISM

We will not pay for loss or damage, or your liability for loss or damage, caused directly or indirectly by **terrorism**, including action in hindering or defending against an actual or expected incident of **terrorism**. Such loss or damage, or your liability for 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 an incident of terrorism:**

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 materials; or
4. Pathogenic or poisonous biological or chemical materials are released, and it appears that one purpose of the **terrorism** was to release such materials; or
5. The total of insured damage to all types of property in the United States, its territories and possessions, Puerto Rico and Canada exceeds \$25,000,000. In determining whether the \$25,000,000 threshold is exceeded, we will include all insured damage sustained by property of all persons and entities affected by the **terrorism** and business interruption losses sustained by owners or occupants of the damaged property. For the purpose of this provision, insured damage means damage that is covered by any insurance plus damage that would be covered by any insurance but for the application of any terrorism exclusions. Multiple incidents of **terrorism** which occur within a 72-hour period and appear to be carried out in concert or to have a related purpose or common leadership will be deemed to be one incident, for the purpose of determining whether the threshold is exceeded.

With respect to this item C.5., the immediately preceding paragraph describes the threshold used to measure the magnitude of an incident of **terrorism** and the circumstances in which the threshold will apply, for the purpose of determining whether this Exclusion will apply to that incident. When the Exclusion applies to an incident of **terrorism**, there is no coverage under this Coverage Form, Coverage Part, Coverage Section or Policy.

D. Exception Covering Certain Fire Losses

The following exception to the Exclusion Of Terrorism applies only if indicated and as indicated in the Schedule of this endorsement.

If **terrorism** results in fire, then we will pay for the loss or damage, or your liability for loss or damage, caused by that fire, subject to all applicable policy provisions including the Limit of Insurance on the affected property. Such coverage for fire applies only to direct loss or damage by fire to Covered Property or Property Insured. Therefore, for example, the coverage does not apply to insurance provided under Business Income and/or Extra Expense

coverage forms or endorsements that apply to those coverage forms, or to the Legal Liability Coverage Form, or the Leasehold Interest Coverage Form, or the Net Leasehold Coverage Form.

E. Application of Other Exclusions

1. When the Exclusion Of Terrorism applies in accordance with the terms of C.1. or C.2., such exclusion applies without regard to the Nuclear Hazard Exclusion in this Coverage Form, Coverage Part, Coverage Section or Policy.
2. 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 or damage, or your liability for loss or damage, which would otherwise be excluded under this Coverage Form, Coverage Part, Coverage Section or Policy, such as losses excluded by the Nuclear Hazard Exclusion or the War And Military Action Exclusion.

F. This endorsement is otherwise subject to all terms, conditions, provisions, and stipulations of the policy to which it is attached.

Disclosure Of Premium And Estimated Premium For Certified Acts Of Terrorism Coverage (Pursuant To Terrorism Risk Insurance Act) – 145927 12 07

This Endorsement is attached to and made part of your policy in response to the disclosure requirements of the Terrorism Risk Insurance Act.

A. Disclosure Of Premium

In accordance with the federal Terrorism Risk Insurance Act, as amended, we are required to provide you with a notice disclosing the portion of your premium, if any, attributable to coverage for terrorist acts certified under the Terrorism Risk Insurance Act, as amended. The portion of your premium attributable to such coverage is shown in the policy Declarations. This premium is based on the rates in effect at the time of policy issuance or policy anniversary and was calculated for the full term of the current policy period.

B. Disclosure Of Federal Participation In Payment Of Terrorism Losses

The United States Government, Department of the Treasury, will pay a share of terrorism losses insured under the federal program. The federal share equals 85% of that portion of the amount of such insured losses that exceeds the applicable insurer retention. However, if aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act, as amended, exceed \$100 billion in a Program Year (January 1 through December 31), the Treasury shall not make any payment for any portion of the amount of such losses that exceed \$100 billion.

C. Cap On Insurer Participation In Payment Of Terrorism Losses

If aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act, as amended, 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, as amended, then 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. Possibility Of Additional or Return Premium

The premium for certified acts of terrorism coverage is calculated based in part on the federal participation in payment of terrorism losses as set forth in the Terrorism Risk Insurance Act, as amended. If the federal program terminates or if the level or terms of federal participation change, the premium charge for acts of terrorism as shown in the Declarations of this policy may also change. If this policy contains a Conditional Exclusion, continuation of coverage for certified acts of terrorism, or termination of such coverage, will be determined upon disposition of the federal program, subject to the terms and conditions of the Conditional Exclusion. If this policy does not contain a Conditional Exclusion, coverage for certified acts of terrorism will continue. In either case, when disposition of the federal program is determined, we will recalculate the premium charge made for those acts of terrorism covered by The Terrorism Risk Insurance Act, as amended, that remain covered by this policy after the disposition of the federal program. We will calculate the premium charge as follows:

1. We will calculate the pro-rated premium shown in the Declarations for acts of terrorism from the effective date of your policy to the date of expiration or change of the federal program.
2. We will calculate the pro-rated premium charge for acts of terrorism that remain covered for the policy period that remains in effect from the expiration or change of the federal Program to the anniversary or expiration date of your policy.

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One of the **Fireman's Fund Insurance Companies** as named in the policy.



Secretary



President

3. We will add the amount determined in D.1. above to the amount determined in D.2. above. Such premium will be your revised annual premium for coverage for acts of terrorism.
 - a. If the revised annual premium determined above is an additional premium, this additional premium may be waived by us for the remainder of the policy term.
 - b. If the revised annual premium determined above is a return premium, we will refund this amount to you.

All other terms and conditions of the policy remain unchanged.

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Rate Information

Rate data does NOT apply to filing.

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First Filing Company: American Automobile Insurance Company, ... State Tracking Number: EFT \$50
Company Tracking Number: TNARMC0208
TOI: 05.1 Commercial Multi-Peril - Non-Liability Sub-TOI: 05.1000 CMP Sub-TOI Combinations
Portion Only
Product Name: Commercial Property TRIPRA Form Revision
Project Name/Number: Commercial Property TRIPRA Form Revision/TNARMC0208

Supporting Document Schedules

Bypassed -Name: Uniform Transmittal Document-Property & Casualty
Review Status: Approved 03/19/2008
Bypass Reason: See Expedited Filing Transmittal Doc for Terrorism Risk Insurance Forms / Pricing
Comments:

Satisfied -Name: Expedited Filing Transmittal
Review Status: Approved 03/19/2008
Comments:
Attachment:
AR TRIAExpeditedFilingForm.pdf

Satisfied -Name: Markup Copies of Forms
Review Status: Approved 03/19/2008
Comments:
Attachment:
NWForms.Markup.ALL.pdf

Satisfied -Name: PHMs
Review Status: Approved 03/19/2008
Comments:
Final and Markup Copies of PHMs
Attachment:
PHM.Final.Markup.ALL.pdf

Satisfied -Name: Explanatory Memo
Review Status: Approved 03/19/2008
Comments:
Attachment:
NW TRIPRA Explanatory Memo - Non Adpt.pdf

**EXPEDITED FILING TRANSMITTAL DOCUMENT
FOR TERRORISM RISK INSURANCE FORMS AND PRICING**

This page applies to the following state(s) ARKANSAS

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 type="checkbox"/> Filing Applicable to Both Certified and Non-Certified Losses

Department Use only

Company Name(s)	Domicile	NAIC #	FEIN #
Fireman's Fund Insurance Company	CA	21873	94-1610280
National Surety Corporation	IL	21881	36-2704643
The American Insurance Company	OH	21857	22-0731810
Associated Indemnity Corporation	CA	21865	22-1708002
American Automobile Insurance Company	MO	21849	22-1608585

Contact Info for Filer

Name and address of Filer(s)	Telephone #	FAX #	e-mail
Helen Jee 777 San Marin Drive, Novato, CA 94998	415-899-6721	866-290-0671	hjее@ffic.com

Filing information

Line of Insurance (see attachment)	Commercial Multi-Peril (Non -Liability Portion)
Company Program Title (Marketing title) (if applicable)	CMP Sub-TOI Combinations
Filing Type ** see note below	Forms (Endorsements)
This application is used with:	
Effective Date Requested	December 26, 2007
Filing date	February 20, 2008
Company Tracking Number	TNARMC0208
Date filing approved in domiciliary state, if applicable	Not approved yet. Filed on same date as this filing.

	<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	Exclusion of Certified Acts of Terrorism	145913 1207	<input checked="" type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn <input type="checkbox"/> Neither	TNARMC0103	
02	Conditional Exclusion of Terrorism Involving Nuclear, Biological or Chemical Terrorism (Relation to Disposition of Federal Terrorism Risk Insurance Act)	145922 1207	<input checked="" type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn <input type="checkbox"/> Neither	TNARMC0206PK	
03	Conditional Exclusion of Terrorism (Relation to Disposition of Federal Terrorism Risk Insurance Act)	145923 1207	<input checked="" type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn <input type="checkbox"/> Neither	TNARMC0206PK	
04	Disclosure of Premium and Estimated Premium For Certified Acts of Terrorism Coverage (Pursuit To Terrorism Risk Insurance ACT)	145927 1207	<input checked="" type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn <input type="checkbox"/> Neither	TNARMC0206PK	

To be complete, a 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.

Certified Acts of Terrorism Exclusion – 145913 ~~01-03~~ 12-07

Policy Amendment(s) Commercial Property Coverage

This endorsement modifies insurance provided under the following:

Commercial Crime Coverage Part(s)
Commercial Inland Marine Coverage Part(s)
Commercial Property Coverage Part(s)
Farm Coverage Part(s)
Standard Property Policy
American Business Coverage Policy – Section I

I. Certified Acts of Terrorism Exclusion

We will not pay for loss, damage, or any liability 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.

II. Coverage for Certain Fire Losses

- A. 1. If the location of your Covered Property or Property Insured is within a jurisdiction that has a Standard Fire Policy law that does not exempt Commercial Inland Marine, item II.B. (below) further modifies insurance under the following coverage parts:

Commercial Inland Marine Coverage Part(s)
Commercial Property Coverage Part(s)
Farm Coverage Part(s)
Standard Property Policy
American Business Coverage Policy – Section I

2. If the location of your Covered Property or Property Insured is within a jurisdiction that has a Standard Fire Policy law that exempts Commercial Inland Marine, item II.B. (below) further modifies insurance under the following coverage parts:

Commercial Property Coverage Part(s)
Farm Coverage Part(s)
Standard Property Policy
American Business Coverage Policy – Section I

- B. If a **certified act of terrorism** results in fire, then 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 or Property Insured. Therefore, for example, the coverage does not apply to insurance provided under Business Income and/or Extra Expense coverage forms or endorsements which apply to those forms, or to the Legal Liability Coverage Form, or the Leasehold Interest Coverage Form, or the Net Leasehold Coverage Form.

- C. Notwithstanding II.B. above, if aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act, as amended, 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, as amended, then 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.

III. 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 Part, Coverage Section, or Policy, such as losses excluded by the Nuclear Hazard Exclusion or the War And Military Action Exclusion.

IV. Definitions

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, as amended, of 2002. The criteria contained in that Act for a **certified act of terrorism** include the following:

- A. The act resulted in ~~aggregate~~ insured losses in excess of \$5 million in the aggregate, attributable to all types of insurance subject to the Terrorism Risk Insurance Act, as amended; 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 ~~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.
- V. ~~This endorsement is otherwise subject to all terms, conditions, provisions and stipulations of the policy to which it is attached.~~ All other terms and conditions of the policy remain unchanged.

Conditional Exclusion of Terrorism Involving Nuclear, Biological or Chemical Terrorism (Relating to Disposition of Federal Terrorism Risk Insurance Act) – 145922 04-06 12 07

This endorsement changes the policy. Please read it carefully.

This endorsement modifies insurance provided under the following:

- Commercial Crime Coverage Part(s)
- Commercial Inland Marine Coverage Part(s)
- Commercial Property Coverage Part(s)
- Farm Coverage Part(s)
- Standard Property Policy
- American Business Coverage Policy - Section I

Schedule

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

State(s)	Coverage Form, Coverage Part, Coverage Section or Policy

Information required to complete this Endorsement will be shown in the Declarations as applicable to this Endorsement.

A. Applicability of the Provisions of this Endorsement

1. The provisions of this endorsement become applicable commencing on the date when any one or more of the following first occurs. But if your policy (meaning the policy period in which this endorsement applies) begins after such date, then the provisions of this endorsement become applicable on the date your policy begins.
 - a. The ~~federal Terrorism Risk Insurance Program ("Program")~~, established by the Terrorism Risk Insurance Act, as amended ("The Act"), has terminated with respect to the type of insurance provided under this Coverage Form, Coverage Part, Coverage Section or Policy; or
 - b. A renewal, extension or replacement of ~~The Act Program~~ has become effective without a requirement to make terrorism coverage available to you and with revisions that:
 - (1) Increase our statutory percentage deductible under ~~The Act Program~~ for terrorism losses. (That deductible determines the amount of all certified terrorism losses we must pay in a calendar year, before the federal government shares in subsequent payment of certified terrorism losses.); or

- (2) Decrease the federal government's statutory percentage share in potential terrorism losses above such deductible; or
 - (3) Redefine terrorism or make insurance coverage for terrorism subject to provisions or requirements that differ from those that apply to other types of events or occurrences under this policy.
 2. If the provisions of this endorsement become applicable, such provisions:
 - a. Supersede any terrorism endorsement already endorsed to this policy that addresses "**certified acts of terrorism**" and/or "**other acts of terrorism**", but only with respect to loss or damage, or your liability for loss or damage, from an incident(s) of terrorism (however defined) that occurs on or after the date when the provisions of this endorsement become applicable; and
 - b. Remain applicable unless we notify you of changes in these provisions, in response to federal law.
 3. If the provisions of this endorsement do NOT become applicable, any terrorism endorsement already endorsed to this policy, that addresses "**certified acts of terrorism**" and/or "**other acts of terrorism**", will continue in effect unless we notify you of changes to that endorsement in response to federal law.
- B. The following definition is added and applies under this endorsement wherever the term terrorism is in bold face.

Terrorism means activities against persons, organizations or property of any nature:

1. That involve the following or preparation for the following:
 - a. Use or threat of force or violence; or
 - b. Commission or threat of a dangerous act; or
 - c. Commission or threat of an act that interferes with or disrupts an electronic, communication, information, or mechanical system; and
2. When one or both of the following applies:
 - a. The effect is to intimidate or coerce a government or the civilian population or any segment thereof, or to disrupt any segment of the economy; or
 - b. It appears that the intent is to intimidate or coerce a government, or to further political, ideological, religious, social or economic objectives or to express (or express opposition to) a philosophy or ideology.

C. The following exclusion is added:

EXCLUSION OF TERRORISM

We will not pay for loss or damage, or your liability for loss or damage, caused directly or indirectly by **terrorism**, including action in hindering or defending against an actual or expected incident of **terrorism**. Such loss or damage, or your liability for 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 an incident of terrorism:**

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 materials; or
4. Pathogenic or poisonous biological or chemical materials are released, and it appears that one purpose of the **terrorism** was to release such materials.

D. Exception Covering Certain Fire Losses

The following exception to the Exclusion Of Terrorism applies only if indicated and as indicated in the Schedule of this endorsement.

If **terrorism** results in fire, **then** we will pay for the loss or damage, or your liability for loss or damage, caused by that fire, subject to all applicable policy provisions including the Limit of Insurance on the affected property. Such coverage for fire applies only to direct loss or damage by fire to covered Property or Property Insured. Therefore, for example, the coverage does not apply to insurance provided under Business Income and/or Extra Expense coverage forms or endorsements that apply to those coverage forms, or to the Legal Liability Coverage Form, or the Leasehold Interest Coverage Form, or the Net Leasehold Coverage Form.

E. Application of Other Exclusions

1. When the Exclusion Of Terrorism applies in accordance with the terms of C.1. or C.2., such exclusion applies without regard to the Nuclear Hazard Exclusion in this Coverage Form, Coverage Part, Coverage Section or Policy.
2. 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 or damage, or your liability for loss or damage, which would otherwise be excluded under this Coverage Form, Coverage Part, Coverage Section or Policy, such as losses excluded by the Nuclear Hazard Exclusion or the War And Military Action Exclusion.

F. This endorsement is otherwise subject to all terms, conditions, provisions, and stipulations of the policy to which it is attached.

Conditional Exclusion of Terrorism (Relating to Disposition of Federal Terrorism Risk Insurance Act) – 145923 ~~04-06-12~~ 07

This endorsement changes the policy. Please read it carefully.

This endorsement modifies insurance provided under the following:

- Commercial Crime Coverage Part(s)
- Commercial Inland Marine Coverage Part(s)
- Commercial Property Coverage Part(s)
- Farm Coverage Part(s)
- Standard Property Policy
- American Business Coverage Policy - Section I

Schedule

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

State(s)	Coverage Form, Coverage Part, Coverage Section or Policy

Information required to complete this Endorsement will be shown in the Declarations as applicable to this Endorsement.

A. Applicability of the Provisions of this Endorsement

1. The provisions of this endorsement become applicable commencing on the date when any one or more of the following first occurs. But if your policy (meaning the policy period in which this endorsement applies) begins after such date, then the provisions of this endorsement become applicable on the date your policy begins.
 - a. The ~~federal Terrorism Risk Insurance Program ("Program")~~, established by the Terrorism Risk Insurance Act, as amended ("The Act"), has terminated with respect to the type of insurance provided under this Coverage Form, Coverage Part, Coverage Section or Policy; or
 - b. A renewal, extension or replacement of ~~The Act Program~~ has become effective without a requirement to make terrorism coverage available to you and with revisions that:
 - (1) Increase our statutory percentage deductible under ~~The Act Program~~ for terrorism losses. (That deductible determines the amount of all certified terrorism losses we must pay in a calendar year, before the federal government shares in subsequent payment of certified terrorism losses.); or

- (2) Decrease the federal government's statutory percentage share in potential terrorism losses above such deductible; or
 - (3) Redefine terrorism or make insurance coverage for terrorism subject to provisions or requirements that differ from those that apply to other types of events or occurrences under this policy.
 2. If the provisions of this endorsement become applicable, such provisions:
 - a. Supersede any terrorism endorsement already endorsed to this policy that addresses "**certified acts of terrorism**" and/or "**other acts of terrorism**", but only with respect to loss or damage, or your liability for loss or damage, from an incident(s) of terrorism (however defined) that occurs on or after the date when the provisions of this endorsement become applicable; and
 - b. Remain applicable unless we notify you of changes in these provisions, in response to federal law.
 3. If the provisions of this endorsement do NOT become applicable, any terrorism endorsement already endorsed to this policy, that addresses "**certified acts of terrorism**" and/or "**other acts of terrorism**", will continue in effect unless we notify you of changes to that endorsement in response to federal law.
- B. The following definition is added and applies under this endorsement wherever the term terrorism is in bold face.

Terrorism means activities against persons, organizations or property of any nature:

1. That involve the following or preparation for the following:
 - a. Use or threat of force or violence; or
 - b. Commission or threat of a dangerous act; or
 - c. Commission or threat of an act that interferes with or disrupts an electronic, communication, information, or mechanical system; and
2. When one or both of the following applies:
 - a. The effect is to intimidate or coerce a government or the civilian population or any segment thereof, or to disrupt any segment of the economy; or
 - b. It appears that the intent is to intimidate or coerce a government, or to further political, ideological, religious, social or economic objectives or to express (or express opposition to) a philosophy or ideology.

C. The following exclusion is added:

EXCLUSION OF TERRORISM

We will not pay for loss or damage, or your liability for loss or damage, caused directly or indirectly by **terrorism**, including action in hindering or defending against an actual or expected incident of **terrorism**. Such loss or damage, or your liability for 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 an incident of terrorism:**

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 materials; or
4. Pathogenic or poisonous biological or chemical materials are released, and it appears that one purpose of the **terrorism** was to release such materials; or
5. The total of insured damage to all types of property in the United States, its territories and possessions, Puerto Rico and Canada exceeds \$25,000,000. In determining whether the \$25,000,000 threshold is exceeded, we will include all insured damage sustained by property of all persons and entities affected by the **terrorism** and business interruption losses sustained by owners or occupants of the damaged property. For the purpose of this provision, insured damage means damage that is covered by any insurance plus damage that would be covered by any insurance but for the application of any terrorism exclusions. Multiple incidents of **terrorism** which occur within a 72-hour period and appear to be carried out in concert or to have a related purpose or common leadership will be deemed to be one incident, for the purpose of determining whether the threshold is exceeded.

With respect to this item C.5., the immediately preceding paragraph describes the threshold used to measure the magnitude of an incident of **terrorism** and the circumstances in which the threshold will apply, for the purpose of determining whether this Exclusion will apply to that incident. When the Exclusion applies to an incident of **terrorism**, there is no coverage under this Coverage Form, Coverage Part, Coverage Section or Policy.

D. Exception Covering Certain Fire Losses

The following exception to the Exclusion Of Terrorism applies only if indicated and as indicated in the Schedule of this endorsement.

If **terrorism** results in fire, [then](#) we will pay for the loss or damage, or your liability for loss or damage, caused by that fire, subject to all applicable policy provisions including the Limit of Insurance on the affected property. Such coverage for fire applies only to direct loss or damage by fire to Covered Property or Property Insured. Therefore, for example, the coverage does not apply to insurance provided under Business Income and/or Extra Expense

coverage forms or endorsements that apply to those coverage forms, or to the Legal Liability Coverage Form, or the Leasehold Interest Coverage Form, or the Net Leasehold Coverage Form.

E. Application of Other Exclusions

1. When the Exclusion Of Terrorism applies in accordance with the terms of C.1. or C.2., such exclusion applies without regard to the Nuclear Hazard Exclusion in this Coverage Form, Coverage Part, Coverage Section or Policy.
2. 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 or damage, or your liability for loss or damage, which would otherwise be excluded under this Coverage Form, Coverage Part, Coverage Section or Policy, such as losses excluded by the Nuclear Hazard Exclusion or the War And Military Action Exclusion.

F. This endorsement is otherwise subject to all terms, conditions, provisions, and stipulations of the policy to which it is attached.

Disclosure Of Premium And Estimated Premium For Certified Acts Of Terrorism Coverage (Pursuant To Terrorism Risk Insurance Act) – 145927 ~~04-06~~ 12-07

This Endorsement is attached to and made part of your policy in response to the disclosure requirements of the Terrorism Risk Insurance Act. ~~This Endorsement does not grant any coverage or change the terms and conditions of any coverage under the policy.~~

A. Disclosure Of Premium

In accordance with the federal Terrorism Risk Insurance Act, as amended, we are required to provide you with a notice disclosing the portion of your premium, if any, attributable to coverage for terrorist acts certified under the Terrorism Risk Insurance Act, as amended. ~~that Act~~. The portion of your premium attributable to such coverage is shown in the policy Declarations. This premium is based on the rates in effect at the time of policy issuance or policy anniversary and was calculated for the full term of the current policy period.

B. Disclosure Of Federal Participation In Payment Of Terrorism Losses

The United States Government, Department of the Treasury, will pay a share of terrorism losses insured under the federal program. ~~For losses occurring in 2006, the federal share equals 90% of that portion of the amount of such insured losses that exceeds the applicable insurer retention. For losses occurring in 2007, t~~The federal share equals 85% of that portion of the amount of such insured losses that exceeds the applicable insurer retention. However, if aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act, as amended, exceed \$100 billion in a Program Year (January 1 through December 31), the Treasury shall not make any payment for any portion of the amount of such losses that exceed \$100 billion.

C. Cap On Insurer Participation In Payment Of Terrorism Losses

If aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act, as amended, 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, as amended, then 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.~~ G. Possibility Of Additional or Return Premium

The premium for certified acts of terrorism coverage is calculated based in part on the federal participation in payment of terrorism losses as set forth in the Terrorism Risk Insurance Act, as amended. If the federal program terminates or if the level or terms of federal participation change, the premium charge for acts of terrorism as shown in the Declarations of this policy may also change. If this policy contains a Conditional Exclusion, continuation of coverage for certified acts of terrorism, or termination of such coverage, will be determined upon disposition of the federal program, subject to the terms and conditions of the Conditional Exclusion. If this policy does not contain a Conditional Exclusion, coverage for certified acts of terrorism will continue. In either case, when disposition of the federal program is determined, we will recalculate the premium charge made for those acts of terrorism covered by The Terrorism Risk Insurance Act, as amended, ~~the Act~~ that remain covered by this policy after the disposition of the federal program. We will calculate the premium charge as follows:

1. We will calculate the pro-rated premium shown in the Declarations for acts of terrorism from the effective date of your policy to the date of expiration or change of the federal program.
2. We will calculate the pro-rated premium charge for acts of terrorism that remain covered for the policy period that remains in effect from the expiration or change of the federal Program to the anniversary or expiration date of your policy.
3. We will add the amount determined in D.1.C.1. above to the amount determined in D.2.C.2. above. Such premium will be your revised annual premium for coverage for acts of terrorism.
 - a. If the revised annual premium determined above is an additional premium, this additional premium may be waived by us for the remainder of the policy term.
 - b. If the revised annual premium determined above is a return premium, we will refund this amount to you.

All other terms and conditions of the policy remain unchanged.



IMPORTANT NOTICE REGARDING TERRORISM COVERAGE – 386357 12 07

This notice applies to the type(s) of insurance provided under this policy that are subject to the Terrorism Risk Insurance Act, as amended ("The Act"). You are hereby notified that under The Act have a right to purchase insurance coverage for losses arising out of **certified acts of terrorism**, as defined in Section 102(1) of The Act: The term **certified act of terrorism** means any act that is certified by the Secretary of the Treasury, in concurrence with the Secretary of State, and the Attorney General of the United States - to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property; or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of an air carrier or vessel or the premises of a United States mission; and to have been committed by an individual or individuals, 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 WHEN 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 INSURER'S 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 EXCEEDS \$100 BILLION, YOUR COVERAGE MAY BE REDUCED.

This quotation includes an offer of coverage for losses due to **certified acts of terrorism**, as defined by The Act, and, if accepted, will be subject to the limit(s), terms and conditions of any policy subsequently issued. The quoted premium for this terrorism coverage is \$ per quote attached.

In order to accept or reject this offer of terrorism coverage for the premiums stated above please do one of the following:

To Reject this offer, do **ALL** of the following:

- (1) Communicate your decision to your agent or broker representing The Fireman's Fund Insurance Companies; and
- (2) Mark the "Reject" option below, sign and date below, and return the original signed document to your agent or broker representing Fireman's Fund Insurance Companies

To Accept this offer, do **ALL** of the following:

- (1) Communicate your decision to your agent or broker representing The Fireman's Fund Insurance Companies; and
- (2) Pay the premium by the due date shown on your premium billing.

Please note that any coverage mandated by applicable Standard Fire Policy laws or Workers Compensation laws in your state will not be affected by your rejection below of terrorism coverage.

If you have any questions about this or any other insurance matter, please contact your agent or broker representing the Fireman's Fund Insurance Companies.

TERRORISM COVERAGE ELECTION:

I REJECT COVERAGE FOR LOSSES DUE TO TERRORIST ACTS, AS DEFINED IN THE ACT.

Applicant

Applicant's Signature

Title

Date

Insurance Company

Please return to your agent or broker representing the Fireman's Fund Insurance Companies.



IMPORTANT NOTICE REGARDING TERRORISM COVERAGE – 386357 ~~04-06~~ 12-07

This notice applies to the type(s) of insurance provided under this policy that are subject to the Terrorism Risk Insurance Act, as amended of 2002 ("The Act"), ~~as extended on December 22, 2005~~. You are hereby notified that under The Act ~~extended on December 22, 2005~~ you have a right to purchase insurance coverage for losses arising out of **certified acts of terrorism**, as defined in Section 102(1) of The Act: The term "**certified act of terrorism**" means any act that is certified by the Secretary of the Treasury, in concurrence with the Secretary of State, and the Attorney General of the United States - to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property; or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of an air carrier or vessel or the premises of a United States mission; and to have been committed by an individual or individuals ~~acting on behalf of any foreign person or foreign interest~~, as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

~~You should know that coverage provided by the policy offered in this quote for losses caused by acts of terrorism, as defined in The Act, is partially reimbursed by the United States under a formula established by The Act. Under this formula, the United States pays 90% (85% in 2007) 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 the loss covered by the Federal government under The Act.~~

YOU SHOULD KNOW THAT WHEN 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 INSURER'S 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 EXCEEDS \$100 BILLION, YOUR COVERAGE MAY BE REDUCED.

This quotation includes an offer of coverage for losses due to **certified acts of terrorisms** ~~terrorist acts~~, as defined by The Act, and, if accepted, will be subject to the limit(s), terms and conditions of any policy subsequently issued. The quoted premium for this terrorism coverage is \$ per quote attached.

In order to accept or reject this offer of terrorism coverage for the premiums stated above please do one of the following:

To Reject this offer, do **ALL** of the following:

- (1) Communicate your decision to your agent or broker representing The Fireman's Fund Insurance Companies; and
- (2) Mark the "Reject" option below, sign and date below, and return the original signed document to your agent or broker representing Fireman's Fund Insurance Companies

To Accept this offer, do **ALL** of the following:

- (1) Communicate your decision to your agent or broker representing The Fireman's Fund Insurance Companies; and
- (2) Pay the premium by the due date shown on your premium billing.

Please note that any coverage mandated by applicable Standard Fire Policy laws or Workers Compensation laws in your state will not be affected by your rejection below of terrorism coverage.

If you have any questions about this or any other insurance matter, please contact your agent or broker representing the Fireman's Fund Insurance Companies.

TERRORISM COVERAGE ELECTION:

I REJECT COVERAGE FOR LOSSES DUE TO TERRORIST ACTS, AS DEFINED IN THE ACT.

Applicant

Applicant's Signature

Title

Date

Insurance Company

Please return to your agent or broker representing the Fireman's Fund Insurance Companies.



IMPORTANT NOTICE REGARDING TERRORISM COVERAGE – 386358 12 07

Insured: _____ Policy Number: _____
Producer: _____ Effective Date: _____

This notice applies to the type(s) of insurance provided under this policy that are subject to the Terrorism Risk Insurance Act, as amended (“The Act”). You are hereby notified that under The Act you have a right to purchase insurance coverage for losses arising out of certified acts of terrorism, as defined in Section 102(1) of The Act: The term **certified act of terrorism** means any act that is certified by the Secretary of the Treasury, in concurrence with the Secretary of State, and the Attorney General of the United States - to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property; or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of an air carrier or vessel or the premises of a United States mission; and to have been committed by an individual or individuals 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 WHEN 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 INSURER’S 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 EXCEEDS \$100 BILLION, YOUR COVERAGE MAY BE REDUCED.

Your policy includes coverage for losses due to **certified acts of terrorism**, as defined by The Act, and will be subject to the limit(s), terms and conditions of your policy. The premium for this terrorism coverage is displayed on the policy declaration.

Please note that any coverage mandated by applicable Standard Fire Policy laws or Workers Compensation laws in your state will not be affected by your rejection below of terrorism coverage.

If you wish to reject this offer of terrorism coverage for the premium stated on the policy declaration please do **ALL** of the following:

- (1) mark the **Reject** option below;
- (2) sign and date below; and
- (3) return the originally signed document to your agent or broker representing the Fireman's Fund Insurance Companies

If you have any questions about this or any other insurance matter, please contact your agent or broker representing the Fireman's Fund Insurance Companies.

TERRORISM COVERAGE REJECTION:

I REJECT COVERAGE FOR LOSSES DUE TO TERRORIST ACTS, AS DEFINED IN THE ACT.

Signature: _____

Title:

Date:

One of the **Fireman's Fund Insurance Companies** as named in the declaration page of your policy



IMPORTANT NOTICE REGARDING TERRORISM COVERAGE – 386358 ~~04-06~~ 12 07

Insured: _____ Policy Number: _____
Producer: _____ Effective Date: _____

This notice applies to the type(s) of insurance provided under this policy that are subject to the Terrorism Risk Insurance Act, ~~as amended of 2002~~ (“The Act”). ~~(The Act), as extended on December 22, 2005.~~ You are hereby notified that under The Act ~~extended on December 22, 2005~~ you have a right to purchase insurance coverage for losses arising out of ~~certified acts of terrorism~~ ~~acts of terrorism~~, as defined in Section 102(1) of The Act: The term **certified act of terrorism** means any act that is certified by the Secretary of the Treasury, in concurrence with the Secretary of State, and the Attorney General of the United States - to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property; or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of an air carrier or vessel or the premises of a United States mission; and to have been committed by an individual or individuals ~~acting on behalf of any foreign person or foreign interest~~, as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

~~You should know that coverage provided by the policy offered in this quote for losses caused by acts of terrorism, as defined in The Act, is partially reimbursed by the United States under a formula established by The Act. Under this formula, the United States pays 90% (85% in 2007) 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 the loss covered by the Federal government under The Act.~~

YOU SHOULD KNOW THAT WHEN 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 INSURER'S 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 EXCEEDS \$100 BILLION, YOUR COVERAGE MAY BE REDUCED.

Your policy includes coverage for losses due to **certified acts of terrorism** ~~terrorist acts~~, as defined by The Act, and will be subject to the limit(s), terms and conditions of your policy. The premium for this terrorism coverage is displayed on the policy declaration.

Please note that any coverage mandated by applicable Standard Fire Policy laws or Workers Compensation laws in your state will not be affected by your rejection below of terrorism coverage.

If you wish to reject this offer of terrorism coverage for the premium stated on the policy declaration please do **ALL** of the following:

- (1) mark the **Reject** option below;
- (2) sign and date below; and
- (3) return the originally signed document to your agent or broker representing the Fireman's Fund Insurance Companies

If you have any questions about this or any other insurance matter, please contact your agent or broker representing the Fireman's Fund Insurance Companies.

TERRORISM COVERAGE REJECTION:

I REJECT COVERAGE FOR LOSSES DUE TO TERRORIST ACTS, AS DEFINED IN THE ACT.

Signature: _____

Title:

Date:

One of the **Fireman's Fund Insurance Companies** as named in the declaration page of your policy



IMPORTANT NOTICE REGARDING TERRORISM COVERAGE – 386359 12 07

Insured:

Policy Number:

Producer:

Effective Date:

This notice applies to the type(s) of insurance provided under this policy that are subject to the Terrorism Risk Insurance Act, as amended (“The Act”). You are hereby notified that under The Act you have a right to purchase insurance coverage for losses arising out of **certified act of terrorism**, as defined in Section 102(1) of The Act: The term **certified act of terrorism** means any act that is certified by the Secretary of the Treasury, in concurrence with the Secretary of State, and the Attorney General of the United States - to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property; or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of an air carrier or vessel or the premises of a United States mission; and to have been committed by an individual or individuals 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 WHEN 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 INSURER’S 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 EXCEEDS \$100 BILLION, YOUR COVERAGE MAY BE REDUCED.

Our records indicate that you previously accepted our offer of terrorism coverage, which was made at the time we issued our quote. Accordingly, the policy referenced above includes coverage for **certified acts of terrorism**, as defined in The Act. If your policy provides workers compensation coverage, you cannot reject that coverage because applicable workers compensation laws in your state mandate that this coverage be included. No additional action on your part is required at this time.

If you have any questions about this or any other insurance matter, please contact your agent or broker representing the Fireman's Fund Insurance Companies.

One of the **Fireman's Fund Insurance Companies** as named in the declaration page of your policy



IMPORTANT NOTICE REGARDING TERRORISM COVERAGE – 386359 04-06-12-07

Insured:

Policy Number:

Producer:

Effective Date:

This notice applies to the type(s) of insurance provided under this policy that are subject to the Terrorism Risk Insurance Act, ~~as amended of 2002~~ (“The Act”) ~~The Act~~, ~~as extended on December 22, 2005~~. You are hereby notified that under The Act ~~extended on December 22, 2005~~ you have a right to purchase insurance coverage for losses arising out of **certified act of terrorism** ~~acts of terrorism~~, as defined in Section 102(1) of The Act: The term **certified act of terrorism** means any act that is certified by the Secretary of the Treasury, in concurrence with the Secretary of State, and the Attorney General of the United States - to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property; or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of an air carrier or vessel or the premises of a United States mission; and to have been committed by an individual or individuals ~~acting on behalf of any foreign person or foreign interest~~, as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

~~You should know that coverage provided by the policy offered in this quote for losses caused by acts of terrorism, as defined in The Act, is partially reimbursed by the United States under a formula established by The Act. Under this formula, the United States pays 90% (85% in 2007) 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 the loss covered by the Federal government under The Act.~~

YOU SHOULD KNOW THAT WHEN 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 INSURER’S 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 EXCEEDS \$100 BILLION, YOUR COVERAGE MAY BE REDUCED.

Our records indicate that you previously accepted our offer of terrorism coverage, which was made at the time we issued our quote. Accordingly, the policy referenced above includes coverage for certified acts of terrorism ~~terrorist acts~~, as defined in The Act. If your policy provides workers compensation coverage, you cannot reject that coverage because applicable workers compensation laws in your state mandate that this coverage be included. No additional action on your part is required at this time.

If you have any questions about this or any other insurance matter, please contact your agent or broker representing the Fireman's Fund Insurance Companies.

One of the **Fireman's Fund Insurance Companies** as named in the declaration page of your policy



IMPORTANT NOTICE REGARDING TERRORISM COVERAGE – 386360 12 07

Insured: Policy Number:

Producer: Effective Date:

This notice applies to the type(s) of insurance provided under this policy that are subject to the Terrorism Risk Insurance Act, as amended ("The Act"). You are hereby notified that under The Act you have a right to purchase insurance coverage for losses arising out of **certified acts of terrorism**, as defined in Section 102(1) of The Act: The term **certified act of terrorism** means any act that is certified by the Secretary of the Treasury, in concurrence with the Secretary of State, and the Attorney General of the United States - to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property; or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of an air carrier or vessel or the premises of a United States mission; and to have been committed by an individual or individuals, 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 WHEN 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 INSURER'S 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 EXCEEDS \$100 BILLION, YOUR COVERAGE MAY BE REDUCED.

Our records indicate that you previously rejected coverage for losses arising out of **certified acts of terrorism**, as defined by The Act, when we provided you a quote for insurance. Accordingly, your policy does not currently provide this coverage. However, The Act requires that we again make an offer at this time. If you wish to change your decision and purchase terrorism coverage, you must contact your agent or broker representing the Fireman's Fund Insurance Companies and request coverage so we can provide you with a new quote. If you do not do so, it will be presumed that you have rejected this offer of terrorism coverage.

Please note that any coverage mandated by applicable Standard Fire Policy laws or Workers Compensation laws in your state will not be affected by your rejection of terrorism coverage.

This offer of coverage for losses due to terrorist acts, as defined by The Act, if accepted, will be subject to the limit(s), terms and conditions of any policy or endorsement subsequently issued.

If you have any questions about this or any other insurance matter, please contact your agent or broker representing the Fireman's Fund Insurance Companies.

One of the **Fireman's Fund Insurance Companies** as named in the declaration page of your policy.



IMPORTANT NOTICE REGARDING TERRORISM COVERAGE –
386360 04-06 12-07

Insured: Policy Number:
Producer: Effective Date:

This notice applies to the type(s) of insurance provided under this policy that are subject to the Terrorism Risk Insurance Act, ~~as amended of 2002~~ ("The Act"), ~~as extended on December 22, 2005~~. You are hereby notified that under The Act ~~extended on December 22, 2005~~ you have a right to purchase insurance coverage for losses arising out of **certified acts of terrorism** ~~acts of terrorism~~, as defined in Section 102(1) of The Act: The term **certified act of terrorism** means any act that is certified by the Secretary of the Treasury, in concurrence with the Secretary of State, and the Attorney General of the United States - to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property; or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of an air carrier or vessel or the premises of a United States mission; and to have been committed by an individual or individuals ~~acting on behalf of any foreign person or foreign interest~~, as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

~~You should know that the insurance coverage you have the right to purchase for losses caused by acts of terrorism, as defined in The Act, is partially reimbursed by the United States under a formula established by The Act. Under this formula, the United States pays 90% (85% in 2007) of covered terrorism losses exceeding the statutorily established deductible paid by the insurance company providing the coverage. The premium charged for this coverage does not include any charges for the portion of the loss covered by the Federal government under The Act.~~

YOU SHOULD KNOW THAT WHEN 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 INSURER'S 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 EXCEEDS \$100 BILLION, YOUR COVERAGE MAY BE REDUCED.

Our records indicate that you previously rejected coverage for losses arising out of **certified acts of terrorism** ~~acts of terrorism~~, as defined by The Act, when we provided you a quote for insurance. Accordingly, your policy does not currently provide this coverage. However, The Act requires that we again make an offer at this time. If you wish to change your decision and purchase terrorism coverage, you

must contact your agent or broker representing the Fireman's Fund Insurance Companies and request coverage so we can provide you with a new quote. If you do not do so, it will be presumed that you have rejected this offer of terrorism coverage.

Please note that any coverage mandated by applicable Standard Fire Policy laws or Workers Compensation laws in your state will not be affected by your rejection of terrorism coverage.

This offer of coverage for losses due to terrorist acts, as defined by The Act, if accepted, will be subject to the limit(s), terms and conditions of any policy or endorsement subsequently issued.

If you have any questions about this or any other insurance matter, please contact your agent or broker representing the Fireman's Fund Insurance Companies.

One of the **Fireman's Fund Insurance Companies** as named in the declaration page of your policy.

**Explanatory Memorandum
Revised Conditional Terrorism Forms and Rules
Fireman's Fund Insurance Companies®**

On behalf of the Fireman's Fund Insurance Companies® ("FFIC") and in response enactment of the Terrorism Risk Insurance Program Reauthorization Act of 2007, enclosed for your approval is our revised proprietary Exclusion of Certified Acts of Terrorism, Conditional Terrorism and Premium Disclosure endorsements.

FFIC's revised terrorism forms follow ISO's revised forms with only editorial changes as needed to conform ISO's version to our proprietary forms. There is no rate impact associated with use of the revised endorsements.

Background and Current Environment

The Terrorism Risk Insurance Act (TRIA) of 2002 established a program (Terrorism Risk Insurance Program) within the Department of the Treasury, under which the federal government shares, with the insurance industry, the risk of loss from future terrorist attacks. Pursuant to Section 103(c) of the Act, all insurers providing insurance for applicable lines of business are required to participate in the program by making available coverage for insured losses resulting from an act of terrorism as defined by the Act (so-called certified acts coverage). The Terrorism Risk Insurance Program was extended for two years, until December 31, 2007, by the Terrorism Risk Insurance Extension Act of 2005, which incorporated various changes with respect to federal share of losses and affected lines of business. We responded in the past to each of these enactments, with filings of disclosure forms and various endorsements addressing the terrorism risk.

The federal Terrorism Risk Insurance Program has been revised and extended by the Terrorism Risk Insurance Program Reauthorization Act of 2007, which incorporates various changes to the Program. Certain changes, summarized as follows and recognized in the next section of this filing document, have an impact on ISO terrorism forms:

- Under Section 102(1)(A)(iv) of the Act, the definition of an act of terrorism (with respect to certification of such act) is revised by eliminating the criterion that the act be committed on behalf of a foreign person or foreign interest. As revised, the definition, in part, requires the act 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.
- Section 103(b)(3) of the Act requires disclosure of the existence of the \$100 billion cap on payments by insurers.
- Section 103(e)(2)(A) of the Act eliminates the provision asserting that Congress may take action to increase the \$100 billion cap in the event that insured losses exceed such cap; and Section 103(e)(2)(B) requires the Secretary of the Treasury to issue regulations for determining the pro rata share of insured losses to be paid under the Program (up to \$100 billion) when insured losses exceed \$100 billion.

Explanation of Changes

Revised endorsements and disclosure:

145913 1207 -Certified Acts of Terrorism Exclusion

145922 1207 - Conditional Exclusion of Terrorism Involving Nuclear, Biological or Chemical Terrorism (Relating to Disposition of Federal Terrorism Risk Insurance Act)

145923 1207 - Conditional Exclusion of Terrorism (Relating to Disposition of Federal Terrorism Risk Insurance Act)

145927 1207 - Disclosure of Premium and Estimated Premium For Certified Acts of Terrorism Coverage (Pursuit To Terrorism Risk Insurance Act)

These endorsements have been revised to:

- Delete the text "acting on behalf of any foreign person or foreign interest", in line with the revision to Section 102(1)(A)(iv) of the Act.
- Reflect the fact that the definition includes appropriate details, but not all of the statutory wording, in setting forth the criteria for a certified act of terrorism.
- Elaborate on the reference to aggregate losses, which are aggregate insured losses attributable to all types of insurance subject to TRIA.
- Revise the language expressing the existence and effect of the cap. As revised, the language explicitly refers to the amount of the cap and addresses allocation of insured losses, pursuant to Sections 103(e)(2)(A) and 103(e)(2)(B) of the Act.

The disclosure has been revised as follows:

- Paragraph B. of the endorsement discloses the federal share of 85%. The Schedule entry had accommodated the possibility of change in the federal share for Program Years after 2007. With the 2007 extension of TRIA, the 85% federal share will remain constant for the life of the extension, that is, through December 31, 2014.
- In compliance with the disclosure requirement of Section 103(b)(3) of the Act, Paragraph B. of the endorsement is revised and Paragraph C. is added to address the \$100 billion cap. Paragraph C. also advises, in accordance with the provisions of Section 103(e)(2)(B), that all insured losses are subject to pro rata allocation when aggregate insured losses exceed \$100 billion.

Please refer to the enclosed marked copies of the forms detailing the above-mentioned revisions.

Non-Adoption of ISO's Terrorism Filings

As a result of this proprietary form filing, FFIC will not adopt the following ISO Filings containing the Terrorism Risk Insurance Program Reauthorization Act of 2007 Forms and Rules:

Rules: CL-2007-RTRP1
Forms: CL-2007-OTRP1