

SERFF Tracking Number: ALSX-125580731 State: Arkansas
Filing Company: Allstate Insurance Company State Tracking Number: EFT \$50
Company Tracking Number: BF1533
TOI: 05.0 Commercial Multi-Peril - Liability & Non- Sub-TOI: 05.0002 Businessowners
Liability
Product Name: Customizer
Project Name/Number: Form Filing/BF1533

Filing at a Glance

Company: Allstate Insurance Company

Product Name: Customizer

TOI: 05.0 Commercial Multi-Peril - Liability &
Non-Liability

Sub-TOI: 05.0002 Businessowners

Filing Type: Form

Effective Date Requested (New): 10/01/2008

Effective Date Requested (Renewal): 10/01/2008

SERFF Tr Num: ALSX-125580731

SERFF Status: Closed

Co Tr Num: BF1533

Co Status:

Author: SPI AllState

Date Submitted: 03/26/2008

State: Arkansas

State Tr Num: EFT \$50

State Status: Fees verified and
received

Reviewer(s): Betty Montesi,
Llyweyia Rawlins, Brittany Yielding

Disposition Date: 04/02/2008

Disposition Status: Approved

Effective Date (New): 10/01/2008

Effective Date (Renewal):
10/01/2008

State Filing Description:

General Information

Project Name: Form Filing

Project Number: BF1533

Reference Organization:

Reference Title:

Filing Status Changed: 04/02/2008

State Status Changed: 04/02/2008

Corresponding Filing Tracking Number:

Filing Description:

The Terrorism Risk Insurance Act, as amended, has been extended for seven years, through 2014. We have therefore revised the Commercial Customizer Policy Declarations Page and Coverage Forms to reflect the extension of the Act, and to include the change in the federal backstop for 2008.

Status of Filing in Domicile:

Domicile Status Comments:

Reference Number:

Advisory Org. Circular:

Deemer Date:

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All Business: October 1, 2008

Company and Contact

Filing Contact Information

Kelly Urban, State Filings Analyst kurban@allstate.com
 2775 Sanders Road (847) 402-0157 [Phone]
 Northbrook, IL 60062 (847) 402-9757[FAX]

Filing Company Information

Allstate Insurance Company CoCode: 19232 State of Domicile: Illinois
 2775 Sanders Road Group Code: 8 Company Type: Property and
 Casualty

Suite A5
 Northbrook, IL 60062 Group Name: Allstate State ID Number:
 (847) 402-5000 ext. [Phone] FEIN Number: 36-0719665

Filing Fees

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

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
Allstate Insurance Company	\$50.00	03/26/2008	18987050

SERFF Tracking Number: ALSX-125580731 State: Arkansas
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Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Approved	Llyweyia Rawlins	04/02/2008	04/02/2008

SERFF Tracking Number: ALSX-125580731 State: Arkansas
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 Product Name: Customizer
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Item Type	Item Name	Item Status	Public Access
Supporting Document	Uniform Transmittal Document-Property & Casualty	Approved	Yes
Form	Declaratlons	Approved	Yes
Form	Declarations	Approved	Yes
Form	Limited Exclusion for Non-Certified Acts of Terrorism	Approved	Yes
Form	Limited Exclusion for Non-Certified Acts of Terrorism	Approved	Yes
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 Liability
 Product Name: Customizer
 Project Name/Number: Form Filing/BF1533

Form Schedule

Review Status	Form Name	Form #	Edition Date	Form Type Action	Action Specific Data	Readability	Attachment
Approved	Declaratlons	BU5570-7	01 08	Declaration Replaced s/Schedule	Replaced Form #:0.00 BU5570-6 Previous Filing #: AR-PC-06-022550		BU5570-7.PDF
Approved	Declarations	BU5672-4	01 08	Declaration Replaced s/Schedule	Replaced Form #:0.00 BU5672-3 Previous Filing #: AR-PC-06-022550		BU5672-4.PDF
Approved	Limited Exclusion for Non-Certified Acts of Terrorism	BU5777-1	01 08	Endorsement/Amendment/Conditions Replaced	Replaced Form #:0.00 BU5777 Previous Filing #: AR-PC-06-022550		BU5777-1.PDF
Approved	Limited Exclusion for Non-Certified Acts of Terrorism	BU5779-1	01 08	Endorsement/Amendment/Conditions Replaced	Replaced Form #:0.00 BU5779 Previous Filing #: AR-PC-06-022550		BU5779-1.PDF
Approved	Limited Exclusion for Non-Certified Acts of Terrorism	BU5780-1	01 08	Endorsement/Amendment/Conditions Replaced	Replaced Form #:0.00 BU5780 Previous Filing #: AR-PC-06-022550		BU5780-1.PDF
Approved	Limited Exclusion for Non-Certified Acts of Terrorism	BU5782-1	01 08	Endorsement/Amendment/Conditions Replaced	Replaced Form #:0.00 BU5782 Previous Filing #: AR-PC-06-022550		BU5782-1.PDF

ALLSTATE INSURANCE COMPANY

DECLARATIONS

SPECIAL FORM POLICY NO.

1. The Insured

Mailing Address

LOCATION OF INSURED PREMISES

2. Policy Period from

Beginning and ending at

to

Standard Time at the Address of the Named Insured stated above

3. The insured is a

4. ADDITIONAL INTERESTS

This policy also covers the interest of any of the following when indicated by an "X" and named below.

- The Mortgagee under Coverage A – Part One
 - The Loss Payee under Coverage A – Part Two
 - Other
 - The Additional Insured For Leased Premises, Under Coverage B – Part One
 - The Vendor under Coverage B – Part One
- Name
- Address

5. POLICY COVERAGES

This policy applies to each of the Coverages and Parts shown below. Under Coverage A, Coverage is provided only for the property at the Insured Premises for which a specific limit of liability is shown

Coverage A – Business Property		
Part One	Buildings	Limits of Liability \$
	The Property Insurance Adjustment Condition	applicable to this policy
Two	Business Contents	\$
	DEDUCTIBLE \$	applicable to each adjusted loss

Coverage B – Business Liability		
Part One	Comprehensive Liability	Limits of Liability \$
	Fire and Specified Peril Legal Liability	\$
Two	Medical Payment	\$
		EACH ACCIDENTAL EVENT
		EACH ACCIDENTAL EVENT
		EACH PERSON

	\$	EACH ACCIDENT
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DECLARATIONS

SPECIAL FORM POLICY NO.

8. OPTIONAL COVERAGES

The following optional coverages, if any, are provided under this policy.

Coverage	Location	Limit of Liability

7. Annual Premium for the Policy and Optional Coverages \$

The portion of the annual premium shown above that is attributable to coverage for losses caused by "acts of terrorism" to which the Program established by the Terrorism Risk Insurance Act, as amended, applies is \$ XX.XX. **SEE DISCLOSURE NOTICE ON PAGE 3 of 3.**

8. ENDORSEMENTS

The following endorsement amend this policy

Countersigned by _____ **Authorized Agent**

BU5570-7
(Ed. 1-08)

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**POLICYHOLDER DISCLOSURE
NOTICE OF TERRORISM
INSURANCE COVERAGE**

The federal Terrorism Risk Insurance Act, as amended, (the federal Act), establishes a temporary federal Program (the federal Program) providing for a system of shared public and private compensation for certain insured commercial property and casualty losses resulting from "acts of terrorism," as defined in the federal Act.

The federal Act defines an "act of terrorism" as 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; 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 of the United States in the case of certain air carriers or vessels or on the premises of a United States mission; and to have been committed by an individual or individuals, as a 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.

DISCLOSURE OF FEDERAL SHARE OF COMPENSATION FOR INSURED LOSSES

Insured losses caused by "acts of terrorism" to which the federal Program applies would be partially reimbursed by the United States of America under a formula established by the federal Act. Under that formula, the United States of America pays 85 percent of covered terrorism losses exceeding the statutorily established deductible paid by the insurance company providing the coverage.

If aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act, as amended, exceeds \$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, we shall not be liable for the payment of any portion of the amount of such losses 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.

DISCLOSURE OF PREMIUM

[AI: Only one (1) of the below should print.]

Your insurance coverage includes coverage for losses caused by "acts of terrorism" to which the federal Program applies (subject to policy terms, conditions, limitations and exclusions). The portion of your annual premium that is attributable to coverage for losses caused by "acts of terrorism" to which the federal Program applies is \$XX.XX.

[OR]

Your insurance coverage does not include coverage for losses caused by "acts of terrorism" to which the federal Program applies. Accordingly, the portion of your annual premium that is attributable to coverage for losses caused by "acts of terrorism" to which the federal Program applies is \$0.00. If you would like your insurance coverage to include coverage for losses caused by "acts of terrorism" to which the federal Program applies (subject to policy terms, conditions, limitations and exclusions), you may purchase that coverage for an additional annual premium charge of \$XX.XX. Please ask your agent for more information.

[OR]

Your insurance coverage does not include coverage for losses caused by "acts of terrorism" to which the federal Program applies, other than for losses to covered property caused by fire resulting from such "acts of terrorism." The portion of your annual premium that is attributable to coverage for losses to

covered property caused by fire resulting from "acts of terrorism" to which the federal Program applies is \$XX.XX. If you would like your insurance coverage to include additional coverage for losses caused by "acts of terrorism" to which the federal Program applies, you may purchase that additional coverage for an additional annual premium charge of \$XX.XX. Coverage is subject to policy terms, conditions, limitations and exclusions. Please ask your agent for more information.

ALLSTATE INSURANCE COMPANY

DECLARATIONS

SPECIAL FORM POLICY NO.

1. The Insured

Mailing Address

LOCATION OF INSURED PREMISES

2. Policy Period from _____ **to** _____
 Beginning and ending Standard Time at the address of the insured stated above.

3. The insured is a

4. ADDITIONAL INTERESTS

This policy also covers the interest of any of the following when indicated by an "X" and named below.

- | | |
|--|--|
| <p><input type="checkbox"/> The Mortgagee under Coverage A – Part One</p> <p>Name _____</p> <p>Address _____</p> | <p><input type="checkbox"/> The Loss Payee under Coverage A – Part Two</p> |
|--|--|

5. POLICY COVERAGES

This policy applies only to those Coverages and Parts shown below for which a specific limit of liability is shown. Where no limit of liability is shown, there is no coverage.

Coverage A – Business Property	
	Loc. Limits of Liability
Part One Buildings	\$
DEDUCTIBLE \$ applicable to each adjusted loss	

Coverage B – Business Liability			
Part	Title	Limits of Liability	
One	General Liability	\$	EACH ACCIDENTAL EVENT
Two	Medical Payments	\$	EACH PERSON
		\$	EACH ACCIDENT

DECLARATIONS

Builders' Risk SPECIAL FORM POLICY NO.

8. OPTIONAL COVERAGES

The following optional coverages, if any, are provided under this policy.

"X"	Loc.	Cov.	Part	Title	Limit of Liability

7. Annual Premium for the Policy and Optional Coverages \$

The portion of the Annual premium shown above that is attributable to coverage for "acts of terrorism" covered by the Program established by the Terrorism Risk Insurance Act, as amended, is \$ XX.XX. **SEE DISCLOSURE NOTICE ON PAGE 3 of 3.**

8. ENDORSEMENTS

The following endorsement amend this policy

Countersigned by _____ **Authorized Agent**

**POLICYHOLDER DISCLOSURE
NOTICE OF TERRORISM
INSURANCE COVERAGE**

The federal Terrorism Risk Insurance Act, as amended, (the federal Act), establishes a temporary federal Program (the federal Program) providing for a system of shared public and private compensation for certain insured commercial property and casualty losses resulting from "acts of terrorism," as defined in the federal Act.

The federal Act defines an "act of terrorism" as 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; 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 of the United States in the case of certain air carriers or vessels or on the premises of a United States mission; and to have been committed by an individual or individuals, as a 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.

DISCLOSURE OF FEDERAL SHARE OF COMPENSATION FOR INSURED LOSSES

Insured losses caused by "acts of terrorism" to which the federal Program applies would be partially reimbursed by the United States of America under a formula established by the federal Act. Under that formula, the United States of America pays 85 percent of covered terrorism losses exceeding the statutorily established deductible paid by the insurance company providing the coverage.

If aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act, as amended, exceeds \$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, we shall not be liable for the payment of any portion of the amount of such losses 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.

DISCLOSURE OF PREMIUM

[AI: Only one (1) of the below should print.]

Your insurance coverage includes coverage for losses caused by "acts of terrorism" to which the federal Program applies (subject to policy terms, conditions, limitations and exclusions). The portion of your annual premium that is attributable to coverage for losses caused by "acts of terrorism" to which the federal Program applies is \$XX.XX.

[OR]

Your insurance coverage does not include coverage for losses caused by "acts of terrorism" to which the federal Program applies. Accordingly, the portion of your annual premium that is attributable to coverage for losses caused by "acts of terrorism" to which the federal Program applies is \$0.00. If you would like your insurance coverage to include coverage for losses caused by "acts of terrorism" to which the federal Program applies (subject to policy terms, conditions, limitations and exclusions), you may purchase that coverage for an additional annual premium charge of \$XX.XX. Please ask your agent for more information.

[OR]

Your insurance coverage does not include coverage for losses caused by "acts of terrorism" to which the federal Program applies, other than for losses to covered property caused by fire resulting from such "acts of terrorism." The portion of your annual premium that is attributable to coverage for losses to covered property caused by fire resulting from "acts of terrorism" to which the federal Program applies is

\$XX.XX. If you would like your insurance coverage to include additional coverage for losses caused by "acts of terrorism" to which the federal Program applies, you may purchase that additional coverage for an additional annual premium charge of \$XX.XX. Coverage is subject to policy terms, conditions, limitations and exclusions. Please ask your agent for more information.

Coverage A – Business Property
Coverage B – Business Liability

**Limited Exclusion for Non-Certified Acts of Terrorism;
Exclusion for Certified Acts of Terrorism**

This endorsement modifies insurance provided under the following:

Customizer – Named Peril Form

A. The following changes apply to Coverage A – Business Property:

Under **Losses We Do Not Cover**, the following is added:

8. Certified Acts of Terrorism and Non-Certified Acts of Terrorism

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

1. The terrorism is carried out by means of the dispersal or application of pathogenic or poisonous biological or chemical materials; or
2. Pathogenic or poisonous biological or chemical materials are released, and it appears that one purpose of the terrorism was to release such materials: or
3. 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 loss of income-rents 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.

With respect to this Item 3., the immediately preceding paragraph describes the threshold used to measure the magnitude of a **non-certified act 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 this exclusion applies to a **non-certified act of terrorism**, there is no coverage under this form.

The terms and limitations of any terrorism exclusion, or the inapplicability or omission of a terrorism exclusion, does not serve to create coverage for any loss which would otherwise be excluded under this form, such as losses excluded by the Nuclear Exclusion of War and Government Seizure Exclusion.

B. The following changes apply to **Coverage B – Business Liability**:

Under **Coverage B – Exclusions**, the following is added:

3. Certified Acts of Terrorism and Non-Certified Acts of Terrorism

We will not cover any accidental events, personal injury or advertising injury or medical expenses due to a **certified act of terrorism** and a **non-certified act of terrorism**. However, with respect to a **non-certified act of terrorism**, this exclusion only applies if one or more of the following are attributable to such an act:

1. The total insured damage to all types of property 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 person and entities effected by the terrorism and loss of income-rents sustained by owners and 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; or
2. Fifty or more persons sustain death or serious physical injury. For the purposes of this provision, serious physical injury means:
 - i. Physical injury that involves a substantial risk of death; or
 - ii. Protracted and obvious physical disfigurement; or
 - iii. Protracted loss of or impairment of the function of a bodily member or organ; or
 3. The terrorism involves the use, release or escape of nuclear materials, or directly or indirectly results in nuclear reaction or radiation, or radioactive contamination; or
 4. The terrorism is carried out by means of the dispersal or application of pathogenic or poisonous biological or chemical materials; or
 5. Pathogenic or poisonous biological or chemical materials are released and it appears that one purpose of the terrorism was to release such materials.

With respect to this exclusion, paragraphs 1. and 2. immediately preceding describes the threshold used to measure the magnitude of an incident of a **non-certified act of terrorism** and the circumstances in which the threshold will apply for the purpose of determining whether this exclusion applies to that incident. When this exclusion applies to a **non-certified act of terrorism**, there is no coverage under this form.

In the event of any incident of a **certified act of terrorism** or a **non-certified act of terrorism** that is not subject to this exclusion, coverage does not apply to any loss or damage that is otherwise excluded under this form.

C. The following definitions are added to the General Section under **Definitions**:

1. **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 the Act for a **certified act of terrorism** include the following:
 - a. The act resulted in insured losses in excess of \$5,000,000 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.
2. **Non-Certified Act of Terrorism** means a violent act or an act that is dangerous to human life, property or infrastructure that is committed by an individual or individuals and that appears to be part of an effort to coerce a civilian population or to influence the policy or affect the conduct of any government by coercion, and the act is not certified as a terrorist act pursuant to the federal Terrorism Risk Insurance Act, as amended. However, a **non-certified act of terrorism** does not include an act which meets the criteria set forth in Paragraph b. of the definition of a **certified act of terrorism**, when such act resulted in insured losses of \$5,000,000 or less. Multiple incidents of a **non-certified act 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.

Coverage A – Business Property
Coverage B – Business Liability

**Limited Exclusion for Non-Certified Acts of Terrorism;
Cap on Certified Acts of Terrorism**

This endorsement modifies insurance provided under the following:

Customizer – Named Peril Form

The following changes apply to **Coverage A – Business Property**:

1. Under **Losses Covered Under Coverage A**, the following is added:

13. Certified Acts of Terrorism

We will cover losses that result from a **certified act of terrorism** as defined under the General Section of this form.

However, with respect to any one or more **certified acts of terrorism** under the federal Terrorism Risk Insurance Act, as amended, we will not pay any amount for which we are not responsible under the terms of the Act (including subsequent action of Congress pursuant to the Act) due to the application of any clause which results in a cap on our liability for payments for terrorism losses.

If aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act, as amended, exceeds \$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, we shall not be liable for the payment of any portion of the amount of such losses 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.

2. Under **Losses We Do Not Cover**, the following is added:

8. Non-Certified Acts of Terrorism

We will not pay for any loss or damage caused directly or indirectly by a **non-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 loss. But, with respect to a **non-certified act of terrorism**, this exclusion will only apply when one or more of the following are attributed to such an act:

1. The terrorism is carried out by means of the dispersal or application of pathogenic or poisonous biological or chemical materials; or
2. Pathogenic or poisonous biological or chemical materials are released, and it appears that one purpose of the terrorism was to release such materials.
3. 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 loss of income-rents 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.

With respect to this Item 3., the immediately preceding paragraph describes the threshold used to measure the magnitude of a **non-certified act 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 this exclusion applies to a **non-certified act of terrorism**, there is no coverage under this form.

The terms and limitations of any terrorism exclusion, or the inapplicability or omission of a terrorism exclusion, does not serve to create coverage for any loss which would otherwise be excluded under this form, such as losses excluded by the Nuclear Exclusion or War and Government Seizure Exclusion.

B. The following changes apply to **Coverage B – Business Liability**:

Under **Coverage B – Exclusions**, the following is added:

3. Non-Certified Acts of Terrorism

We will not cover accidental events, personal injury or advertising injury or medical expenses due to a **non-certified act of terrorism**. However, this exclusion only applies if one or more of the following are attributable to such an act:

1. The total insured damage to all types of property 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 person and entities affected by the terrorism and loss of income-rents sustained by owners and 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; or
2. Fifty or more persons sustain death or serious physical injury. For the purposes of this provision, serious physical injury means:
 - i. Physical injury that involves a substantial risk of death; or
 - ii. Protracted and obvious physical disfigurement; or
 - iii. Protracted loss of or impairment of the function of a bodily member or organ; or
3. The terrorism involves the use, release or escape of nuclear materials, or directly or indirectly results in nuclear reaction or radiation, or radioactive contamination; or
4. The terrorism is carried out by means of the dispersal or application of pathogenic or poisonous biological or chemical materials; or
5. Pathogenic or poisonous biological or chemical materials are released and it appears that one purpose of the terrorism was to release such materials.

With respect to this exclusion, paragraphs 1. and 2. immediately preceding describes the threshold used to measure the magnitude of an incident of a **non-certified act 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 this exclusion applies to a **non-certified act of terrorism**, there is no coverage under this firm.

In the event of any incident of a **non-certified act of terrorism** that is not subject to this exclusion, coverage does not apply to any loss or damage that is otherwise excluded under this form.

With respect to any one or more a **certified act of terrorism** under the federal Terrorism Risk Insurance Act, as amended, we will not pay any amount for which we are not responsible under the terms of the Act (including subsequent action of Congress pursuant to the Act) due to the application of any clause which results in a cap on our liability for payments for terrorism losses.

C. The following definitions are added to the General Section under **Definitions**:

1. **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 the Act for a **certified act of terrorism** include the following:

- a. The act resulted in insured losses in excess of \$5,000,000 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.

2. **Non-Certified Act of Terrorism** means a violent act or an act that is dangerous to human life, property or infrastructure that is committed by an individual or individuals and that appears to be part of an effort to coerce a civilian population or to influence the policy or affect the conduct of any government by coercion, and the act is not certified as a terrorist act pursuant to the federal Terrorism Risk Insurance Act, as amended. However, a **non-certified act of terrorism** does not include an act which meets the criteria set forth in Paragraph b. of the definition of a **certified act of terrorism**, when such act resulted in aggregate losses of \$5,000,000 or less. Multiple incidents of a **non-certified act 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.

Coverage A – Business Property
Coverage B – Business Liability

**Limited Exclusion for Non-Certified Acts of Terrorism;
Exclusion for Certified Acts of Terrorism**

This endorsement modifies insurance provided under the following:

Customizer - Special Form
Customizer - Builder's Risk Form

A. The following changes apply to **Coverage A – Business Property**:

Under **Losses We Do Not Cover**, the following is added:

1. f. Certified Acts of Terrorism and Non-Certified Acts of Terrorism

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

1. The terrorism is carried out by means of the dispersal or application of pathogenic or poisonous biological or chemical materials; or
2. Pathogenic or poisonous biological or chemical materials are released, and it appears that one purpose of the terrorism was to release such materials: or
3. 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 loss of income-rents 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.

With respect to this Item 3., the immediately preceding paragraph describes the threshold used to measure the magnitude of a **non-certified act 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 this exclusion applies to a **non-certified act of terrorism**, there is no coverage under this form.

The terms and limitations of any terrorism exclusion, or the inapplicability or omission of a terrorism exclusion, does not serve to create coverage for any loss which would otherwise be excluded under this form, such as losses excluded by the Nuclear Exclusion or War and Government Seizure Exclusion.

B. The following changes apply to **Coverage B – Business Liability**:

Under **Coverage B – Exclusions**, the following is added:

3. Certified Acts of Terrorism and Non-Certified Acts of Terrorism

We will not cover any accidental events, personal injury or advertising injury or medical expenses due to a **certified act of terrorism** and a **non-certified act of terrorism**. However, with respect to a **non-certified act of terrorism**, this exclusion only applies if one or more of the following are attributable to such an act:

1. The total insured damage to all types or property 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 person and entities affected by the terrorism and loss of income-rents sustained by owners and 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; or

2. Fifty or more persons sustain death or serious physical injury. For the purposes of this provision, serious physical injury means:
 - i. Physical injury that involves a substantial risk of death; or
 - ii. Protracted and obvious physical disfigurement; or
 - iii. Protracted loss of or impairment of the function of a bodily member or organ; or
3. The terrorism involves the use, release or escape of nuclear materials, or directly or indirectly results in nuclear reaction or radiation, or radioactive contamination; or
4. The terrorism is carried out by means of the dispersal or application of pathogenic or poisonous biological or chemical materials; or
5. Pathogenic or poisonous biological or chemical materials are released and it appears that one purpose of the terrorism was to release such materials.

With respect to this exclusion, paragraphs 1. and 2. immediately preceding describes the threshold used to measure the magnitude of an incident of a **non-certified act of terrorism** and the circumstances in which the threshold will apply for the purpose of determining whether this exclusion applies to that incident. When this exclusion applies to a **non-certified act of terrorism**, there is no coverage under this form.

In the event of any incident of a **certified act of terrorism** or a **non-certified act of terrorism** that is not subject to this exclusion, coverage does not apply to any loss or damage that is otherwise excluded under this form.

C. The following definitions are added to the General Section under **Definitions**:

1. **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 the Act for a certified act(s) of terrorism include the following:
 - a. The act resulted in insured losses in excess of \$5,000,000 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.
2. **Non-Certified Act of Terrorism** means a violent act or an act that is dangerous to human life, property or infrastructure that is committed by an individual or individuals and that appears to be part of an effort to coerce a civilian population or to influence the policy or affect the conduct of any government by coercion, and the act is not certified as a terrorist act pursuant to the federal Terrorism Risk Insurance Act, as amended. However, a **non-certified act of terrorism** does not include an act which meets the criteria set forth in Paragraph b. of the definition of a **certified act of terrorism**, when such act resulted in aggregate losses of \$5,000,000 or less.
Multiple incidents of a **non-certified act 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.

Coverage A – Business Property
Coverage B – Business Liability

**Limited Exclusion for Non-Certified Acts of Terrorism;
Cap on Certified Acts of Terrorism**

This endorsement modifies insurance provided under the following:

Customizer - Special Form
Customizer - Builder's Risk Form

A. The following changes apply to **Coverage A – Business Property**:

Under **Losses We Do Not Cover**, the following is added:

1. f. Non-Certified Acts of Terrorism

We will not pay for any loss or damage caused directly or indirectly by a **non-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 loss. But, with respect to a **non-certified act of terrorism**, this exclusion will only apply when one or more of the following are attributed to such an act:

1. That is carried out by means of the dispersal or application of pathogenic or poisonous biological or chemical materials; or
2. In which pathogenic or poisonous biological or chemical materials are released, and it appears that one purpose of the terrorism was to release such materials.
3. 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 loss of income-rents 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.

With respect to this Item 3., the immediately preceding paragraph describes the threshold used to measure the magnitude of a **non-certified act 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 this exclusion applies to a **non-certified act of terrorism**, there is no coverage under this form.

With respect to any one or more **certified act of terrorism** under the federal Terrorism Risk Insurance Act, as amended, we will not pay any amount for which we are not responsible under the terms of the Act (including subsequent action of Congress pursuant to the Act) due to the application of any clause which results in a cap on our liability for payments for terrorism losses.

The terms and limitations of any terrorism exclusion, or the inapplicability or omission of a terrorism exclusion, does not serve to create coverage for any loss which would otherwise be excluded under this form, such as losses excluded by the Nuclear Exclusion or War and Government Seizure Exclusion.

If aggregate insurance losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act, as amended, exceeds \$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, we shall not be liability for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to the amount are subject to pro rata allocation in accordance with procedures established by the "Secretary of the treasury.

B. The following changes apply to **Coverage B – Business Liability**:

Under **Coverage B – Exclusions**, the following is added:

3. Non-Certified Acts of Terrorism

We will not cover accidental events, personal injury or advertising injury or medical expenses due to a **non-certified act of terrorism**. However, this exclusion only applies if one or more of the following are attributable to such an act:

1. The total insured damage to all types or property 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 person and entities affected by the terrorism and loss of income-rents sustained by owners and 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; or
2. Fifty or more persons sustain death or serious physical injury. For the purposes of this provision, serious physical injury means:
 - i. Physical injury that involves a substantial risk of death; or
 - ii. Protracted and obvious physical disfigurement; or
 - iii. Protracted loss of or impairment of the function of a bodily member or organ; or
3. The terrorism involves the use, release or escape of nuclear materials, or directly or indirectly results in nuclear reaction or radiation, or radioactive contamination; or
4. The terrorism is carried out by means of the dispersal or application of pathogenic or poisonous biological or chemical materials; or
5. Pathogenic or poisonous biological or chemical materials are released and it appears that one purpose of the terrorism was to release such materials.

With respect to this exclusion, paragraphs 1. and 2. immediately preceding describes the threshold used to measure the magnitude of an incident of a **non-certified act 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 this exclusion applies to a **non-certified act of terrorism**, there is no coverage under this form.

In the event of any incident of a **non-certified act of terrorism** that is not subject to this exclusion, coverage does not apply to any loss or damage that is otherwise excluded under this form.

With respect to any one or more **certified act of terrorism** under the federal Terrorism Risk Insurance Act, as amended, we will not pay any amount for which we are not responsible under the terms of the Act (including subsequent action of Congress pursuant to the Act) due to the application of any clause which results in a cap on our liability for payments for terrorism losses.

C. The following definitions are added to the General Section under **Definitions**:

1. **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 the Act for a **certified act of terrorism** include the following:
 - a. The act resulted in aggregate losses in excess of \$5,000,000 in the aggregate, attributable to all types on 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.
2. **Non-Certified Act of Terrorism** means a violent act or an act that is dangerous to human life, property or infrastructure that is committed by an individual or individuals and that appears to be part of an effort to coerce a civilian population or to influence the policy or affect the conduct of any government by coercion, and the act is not certified as a terrorist act pursuant to the federal

Terrorism Risk Insurance Act, as amended. However, a **non-certified act of terrorism** does not include an act which meets the criteria set forth in Paragraph b. of the definition of a **certified act of terrorism**, when such act resulted in aggregate losses of \$5,000,000 or less. Multiple incidents of a **non-certified act 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.

SERFF Tracking Number: ALSX-125580731 State: Arkansas
Filing Company: Allstate Insurance Company State Tracking Number: EFT \$50
Company Tracking Number: BF1533
TOI: 05.0 Commercial Multi-Peril - Liability & Non- Sub-TOI: 05.0002 Businessowners
Liability
Product Name: Customizer
Project Name/Number: Form Filing/BF1533

Supporting Document Schedules

Satisfied -Name: Uniform Transmittal Document-
Property & Casualty **Review Status:** Approved 04/02/2008

Comments:

Attachments:

AR - EXPD FILING TRANS FOR TER RISK.PDF
AR - FORM FILING ABSTRACT F-1.PDF
AR - CERTIFICATE OF COMPLIANCE - (AID PC SelfCert (4_30_03)).PDF
BU5570-7 Side by Side.PDF
BU5672-4 Side by Side.PDF
BU5777 Side by Side.PDF
BU5779 Side by Side.PDF
BU5780 Side by Side.PDF
BU5782 Side by Side.PDF

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

This page applies to the following state(s) AR

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

Department Use only

Company Name(s)	Domicile	NAIC #	FEIN #
Allstate Insurance Company	IL	008-19232	36-0719665

Contact Info for Filer

Name and address of Filer(s)	Telephone #	FAX #	e-mail
Kelly Urban 2775 Sanders Road, Suite A5 Northbrook IL 60062	847-402-0157 Ext. 20157	847-402-9757	kurban@allstate.com

Filing information

Line of Insurance (see attachment)	Customizer (Businessowners)
Company Program Title (Marketing title) (if applicable)	Commercial Product
Filing Type ** see note below	Form
This application is used with:	BU5550A, BU5560A, BU5717
Effective Date Requested	10/01/2008
Filing date	3/26/2008
Company Tracking Number	BF1533
Date filing approved in domiciliary state, if applicable	Filed 3/26/2008

	Component/Form Name /Description/Synopsis	Form # or Rate Page Include edition date	Replacement Or withdrawn?	If replacement, give form # or rate page(s) it replaces	Previous State Filing Number, if required by state
01	Declaratons	BU5570-7 01 08	<input checked="" type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn <input type="checkbox"/> Neither	BU5570-6 06 06	AR-PC-06-022550
02	Declarations	BU5672-4 01 08	<input checked="" type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn <input type="checkbox"/> Neither	BU5672-3 06 06	AR-PC-06-022550
03	Limited Exclusion for Non-Certified Acts of Terrorism	BU5777-1 01 08	<input checked="" type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn <input type="checkbox"/> Neither	BU5777 05 03	AR-PC-06-022550
04	Limited Exclusion for Non-Certified Acts of Terrorism	BU5779-1 01 08	<input checked="" type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn <input type="checkbox"/> Neither	BU5779 05 03	AR-PC-06-022550
05	Limited Exclusion for Non-Certified Acts of Terrorism	BU5780-1 01 08	<input checked="" type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn <input type="checkbox"/> Neither	BU5780 05 03	AR-PC-06-022550
06	Limited Exclusion for Non-Certified Acts of Terrorism	BU5782-1 01 08	<input checked="" type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn <input type="checkbox"/> Neither	BU5782 05 03	AR-PC-06-022550

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.
- A copy of the rates, rating systems and supporting documentation.
- The appropriate filing fees, if required.

- A postage-paid, self-addressed envelope **large enough to accommodate the return.**

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

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



Signature

Kelly Urban

Print Name:

State Filings Analyst

Title:

ARKANSAS INSURANCE DEPARTMENT
FORM FILING ABSTRACT

ALL QUESTIONS MUST BE ANSWERED

Companies filing for a group may use a consolidated abstract if all forms are identical.

- 1. Date Filed 3/26/2008
- 2. Company Name(s) Allstate Insurance Company
 Group Name Allstate NAIC No. 19232 Group No. 008
- 3. (a) Annual Statement Line of Business Number (Page 14) 05
 (b) Class of Business 0002
 © Coverages Affected _____
- 4. (a) Name of Advisory Organization, if any _____
 (b) Affiliations with Advisory Organization: Member () Subscriber ()
- 5. Is this a reference filing? Yes () No () If yes, please provide the following:
 (a) Name of Advisory Organization (or Affiliated Company) _____
 (b) Date of Filing _____
 © Filing Designation Number or Description _____

PROVIDE THE INFORMATION REQUESTED ON PAGE 2 OF THIS FORM

- 7. Has the form(s) been approved for use in your domiciliary state and/or other states?
Yes
- 8. Is the form filed in response to or due to legislation? If so, specify legislation.
Yes - TRIA
- 9. Is the form in response to or due to recent court decisions? If so, give citation.
No

THIS INFORMATION IS CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

Kelly Urban

Signature
Kelly Urban

Title
847-402-0157

Telephone Number

Page 2 of 2

Old Form No.	Proposed Effective Date of New Form	New Form No.	Title of the Form(s); also Indicate Withdrawals: Provide Synopsis of Coverage
BU5570-6 06 06	10/1/2008	BU5570-7 01 08	Declaratlons
BU5672-3 06 06	10/1/2008	BU5672-4 01 08	Declarations
BU5777 05 03	10/1/2008	BU5777-1 01 08	Limited Exclusion for Non-Certified Acts of Terrorism
BU5779 05 03	10/1/2008	BU5779-1 01 08	Limited Exclusion for Non-Certified Acts of Terrorism
BU5780 05 03	10/1/2008	BU5780-1 01 08	Limited Exclusion for Non-Certified Acts of Terrorism
BU5782 05 03	10/1/2008	BU5782-1 01 08	Limited Exclusion for Non-Certified Acts of Terrorism

ARKANSAS CERTIFICATE OF COMPLIANCE

(You may print or type the information required by this form)



I, Felix Mantilla, Asst. Vice President, Asst. General Counsel of
(Name) (Title of Authorized Officer)
Allstate Insurance Company
(Name of Insurer)

declare that I am authorized to execute and file this certificate of compliance and do hereby certify that I am knowledgeable of the legal requirements under Arkansas law applicable to the insurance forms that are the subject of this filing and further aver:

1. Upon information and belief, I certify that the insurance forms filed herewith are complete and comply with all Arkansas laws, including the:

- a. Arkansas Code Annotated;
- b. Arkansas Rules and Regulations;
- c. Arkansas Insurance Bulletins, Directives and Orders;
- d. Applicable filing requirements including the applicable product standards set forth in the product checklists; and
- e. Rulings and decisions of any court of this state.

2. I understand and acknowledge that the Commissioner will rely upon this certificate and if it is subsequently determined that any form filed herewith is false or misleading, appropriate corrective action shall be taken by the commissioner against the company.

3. Pursuant to Ark. Code Ann. § 23-79-109(a)(1)(C), I understand that by certifying that a form complies with paragraph 1 hereof, it is not to be taken by the undersigned or by my company as meaning that any insurance effected by use of such form may in any fashion be inconsistent with the statutory and common law of Arkansas.

4. Pursuant to Ark. Code Ann. §23-79-118, I understand and acknowledge that any insurance policy, rider, endorsement or other insurance form filed under this certificate, that is subsequently issued to an insured, and contains any condition or provision not in compliance with the requirements of the laws of the State of Arkansas, as set forth in paragraph 1 hereof, shall be construed and applied in accordance with such condition or provision as would have applied if the policy, rider, endorsement or form had been in full compliance with the law.

Does this Certification apply to all the companies in this filing? <i>(Yes or No)</i> •	Yes
---	-----

If "NO", to which companies does this Certification apply?

Company Name(s)	NAIC #

Company Tracking Number • BF1533	
Signature of Authorized Officer •	
Name of Authorized Officer •	Felix Mantilla
Title of Authorized Officer •	Asst. Vice President, Asst. General Counsel
Email address of Authorized Officer •	fmantill@allstate.com
Telephone # of Authorized Officer •	847-402-5000 Ext: 28374
Date •	3/26/2008

This form may be computer generated by the company. So long as the wording and general layout is the same, the format may vary. For more information, contact the Property & Casualty Division of the Arkansas Insurance Department at 1200 W 3rd St., Little Rock, AR 72201, telephone: 501-371-2800, or email: information.pnc@state.ar.us

ALLSTATE INSURANCE COMPANY

DECLARATIONS

SPECIAL FORM POLICY NO.

1. The Insured

Mailing Address

LOCATION OF INSURED PREMISES

2. Policy Period from _____ **to** _____
 Beginning and ending Standard Time at the address of the insured stated above.

3. The insured is a

4. ADDITIONAL INTERESTS

This policy also covers the interest of any of the following when indicated by an "X" and named below.

- | | | |
|--|---|--------------------------------|
| <input type="checkbox"/> The Mortgagee under Coverage A – Part One | <input type="checkbox"/> The Loss Payee under Coverage A – Part Two | <input type="checkbox"/> Other |
| <input type="checkbox"/> The Additional Insured For Leased Premises, Under Coverage B – Part One | <input type="checkbox"/> The Vendor under Coverage B – Part One | |
| Name | | |
| Address | | |

5. POLICY COVERAGES

This policy applies to each of the Coverages and Parts shown below. Under Coverage A, Coverage is provided only for the property at the Insured Premises for which a specific limit of liability is shown

Coverage A – Business Property		
Part One	Buildings	Limits of Liability \$
The Property Insurance Adjustment Condition		applicable to this policy
Two	Business Contents	\$
DEDUCTIBLE \$		applicable to each adjusted loss

Coverage B – Business Liability			
Part One	Comprehensive Liability	Limits of Liability \$	EACH ACCIDENTAL EVENT
	Fire and Specified Peril Legal Liability	\$	EACH ACCIDENTAL EVENT
Two	Medical Payment	\$	EACH PERSON
		\$	EACH ACCIDENT

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BU5570-7
 (Ed. 1-08)

"Includes copyrighted material of Insurance Services Office, Inc. with its permission."

BU5570-7
(Ed. 1-08)

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"Includes copyrighted material of Insurance Services Office, Inc. with its permission."

DECLARATIONS

SPECIAL FORM POLICY NO.

8. OPTIONAL COVERAGES

The following optional coverages, if any, are provided under this policy.

Coverage	Location	Limit of Liability

7. Annual Premium for the Policy and Optional Coverages \$

The portion of the annual premium shown above that is attributable to coverage for losses caused by "acts of terrorism" to which the Program established by the "Terrorism Risk Insurance Act, as amended, applies is \$ XX.XX. **SEE DISCLOSURE NOTICE ON PAGE 3 of 3.**

Deleted: Act", as extended on December 2, 2005

8. ENDORSEMENTS

The following endorsement amend this policy

BU5570-7,
(Ed. 1-08)

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ALLSTATE

**POLICYHOLDER DISCLOSURE
NOTICE OF TERRORISM
INSURANCE COVERAGE**

The federal "Terrorism Risk Insurance Act, as amended," (the federal Act), establishes a temporary federal Program (the federal Program) providing for a system of shared public and private compensation for certain insured commercial property and casualty losses resulting from "acts of terrorism," as defined in the federal Act.

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Deleted: as extended on December 22, 2005

The federal Act defines an "act of terrorism" as 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; 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 of the United States in the case of certain air carriers or vessels or on the premises of a United States mission; and to have been committed by an individual or individuals, as a 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.

Deleted: acting on behalf of any foreign person or foreign interest

DISCLOSURE OF FEDERAL SHARE OF COMPENSATION FOR INSURED LOSSES

Insured losses caused by "acts of terrorism" to which the federal Program applies would be partially reimbursed by the United States of America under a formula established by the federal Act. Under that formula, the United States of America pays 85 percent, of covered terrorism losses exceeding the statutorily established deductible paid by the insurance company providing the coverage.

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If aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act, as amended, exceeds \$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, we shall not be liable for the payment of any portion of the amount of such losses 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.

DISCLOSURE OF PREMIUM

[AI: Only one (1) of the below should print.]

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¶

[] Your insurance coverage includes coverage for losses caused by "acts of terrorism" to which the federal Program applies (subject to policy terms, conditions, limitations and exclusions). The portion of your annual premium that is attributable to coverage for losses caused by "acts of terrorism" to which the federal Program applies is \$XX.XX.

[OR]

[] Your insurance coverage does not include coverage for losses caused by "acts of terrorism" to which the federal Program applies. Accordingly, the portion of your annual premium that is attributable to coverage for losses caused by "acts of terrorism" to which the federal Program applies is \$0.00. If you would like your insurance coverage to include coverage for losses caused by "acts of terrorism" to which the federal Program applies (subject to policy terms, conditions, limitations and exclusions), you may purchase that coverage for an additional annual premium charge of \$XX.XX. Please ask your agent for more information.

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[OR]

BU5570-7
(Ed. 1-08)

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[] Your insurance coverage does not include coverage for losses caused by "acts of terrorism" to which the federal Program applies, other than for losses to covered property caused by fire resulting from such "acts of terrorism." The portion of your annual premium that is attributable to coverage for losses to covered property caused by fire resulting from "acts of terrorism" to which the federal Program applies is \$XX.XX. If you would like your insurance coverage to include additional coverage for losses caused by "acts of terrorism" to which the federal Program applies, you may purchase that additional coverage for an additional annual premium charge of \$XX.XX. Coverage is subject to policy terms, conditions, limitations and exclusions. Please ask your agent for more information.

BU5570-7
(Ed. 1-08)

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ALLSTATE INSURANCE COMPANY

DECLARATIONS

SPECIAL FORM POLICY NO.

1. The Insured

Mailing Address

LOCATION OF INSURED PREMISES

2. Policy Period from _____ **to** _____
 Beginning and ending Standard Time at the address of the insured stated above.

3. The insured is a

4. ADDITIONAL INTERESTS

This policy also covers the interest of any of the following when indicated by an "X" and named below.

- | | |
|--|---|
| τ The Mortgagee under
Coverage A – Part One | τ The Loss Payee under
Coverage A – Part Two |
|--|---|

Name

Address

5. POLICY COVERAGES

This policy applies only to those Coverages and Parts shown below for which a specific limit of liability is shown. Where no limit of liability is shown, there is no coverage.

Coverage A – Business Property	
	Loc. Limits of Liability
Part One Buildings	\$
DEDUCTIBLE \$ applicable to each adjusted loss	

Coverage B – Business Liability			
Part	Title	Limits of Liability	
One	General Liability	\$	EACH ACCIDENTAL EVENT
Two	Medical Payment s	\$	EACH PERSON
		\$	EACH ACCIDENT

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DECLARATIONS

Builders' Risk SPECIAL FORM POLICY NO.

8. OPTIONAL COVERAGES

The following optional coverages, if any, are provided under this policy.

"x"	Loc.	Cov.	Part	Title	Limit of Liability

7. Annual Premium for the Policy and Optional Coverages \$

The portion of the Annual premium shown above that is attributable to coverage for "acts of terrorism" covered by the Program established by the "Terrorism Risk Insurance Act, as amended, is \$ XX.XX. **SEE DISCLOSURE NOTICE ON PAGE 3 of 3.**

Deleted: Act", as extended on December 22, 2005

8. ENDORSEMENTS

The following endorsement amend this policy

Countersigned by _____ Authorized Agent

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**POLICYHOLDER DISCLOSURE
NOTICE OF TERRORISM
INSURANCE COVERAGE**

The federal "Terrorism Risk Insurance Program Reauthorization Extension Act of 2007" (the federal Act), as extended on December 26, 2007, establishes a temporary federal Program (the federal Program) providing for a system of shared public and private compensation for certain insured commercial property and casualty losses resulting from "acts of terrorism," as defined in the federal Act.

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The federal Act defines an "act of terrorism" as 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; 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 of the United States in the case of certain air carriers or vessels or on the premises of a United States mission; and to have been committed by an individual or individuals, as a 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.

Deleted: acting on behalf of any foreign person or foreign interest

DISCLOSURE OF FEDERAL SHARE OF COMPENSATION FOR INSURED LOSSES

Insured losses caused by "acts of terrorism" to which the federal Program applies would be partially reimbursed by the United States of America under a formula established by the federal Act. Under that formula, the United States of America pays 85 percent of covered terrorism losses exceeding the statutorily established deductible paid by the insurance company providing the coverage.

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If aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act, as amended, exceeds \$100 billion in a Program Year (January 1 through December 31) and we have met our insurer deductible under the Terrorism Risk Insurance Act, we shall not be liable for the payment of any portion of the amount of such losses 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.

DISCLOSURE OF PREMIUM

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[] Your insurance coverage includes coverage for losses caused by "acts of terrorism" to which the federal Program applies (subject to policy terms, conditions, limitations and exclusions). The portion of your annual premium that is attributable to coverage for losses caused by "acts of terrorism" to which the federal Program applies is \$XX.XX.

[OR]

[] Your insurance coverage does not include coverage for losses caused by "acts of terrorism" to which the federal Program applies. Accordingly, the portion of your annual premium that is attributable to coverage for losses caused by "acts of terrorism" to which the federal Program applies is \$0.00. If you would like your insurance coverage to include coverage for losses caused by "acts of terrorism" to which the federal Program applies (subject to policy terms, conditions, limitations and exclusions), you may purchase that coverage for an additional annual premium charge of \$XX.XX. Please ask your agent for more information.

[OR]

[] Your insurance coverage does not include coverage for losses caused by "acts of terrorism" to which the federal Program applies, other than for losses to covered property caused by fire resulting from such "acts of terrorism." The portion of your annual premium that is attributable to coverage for losses to covered property caused by fire resulting from "acts of terrorism" to which the federal Program applies is

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\$XX.XX. If you would like your insurance coverage to include additional coverage for losses caused by "acts of terrorism" to which the federal Program applies, you may purchase that additional coverage for an additional annual premium charge of \$XX.XX. Coverage is subject to policy terms, conditions, limitations and exclusions. Please ask your agent for more information.

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Coverage A – Business Property
Coverage B – Business Liability

**Limited Exclusion for Non-Certified Acts of Terrorism;
Exclusion for Certified Acts of Terrorism**

This endorsement modifies insurance provided under the following:

Customizer – Named Peril Form

A. The following changes apply to Coverage A – Business Property:

Under **Losses We Do Not Cover**, the following is added:

8. Certified Acts of Terrorism and Non-Certified Acts of Terrorism

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

1. The terrorism is carried out by means of the dispersal or application of pathogenic or poisonous biological or chemical materials; or
2. Pathogenic or poisonous biological or chemical materials are released, and it appears that one purpose of the terrorism was to release such materials; or
3. 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 effected by the terrorism and loss of income-rents 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.

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With respect to this Item 3., the immediately preceding paragraph describes the threshold used to measure the magnitude of a **non-certified act 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 this exclusion applies to a **non-certified act of terrorism**, there is no coverage under this form.

The terms and limitations of any terrorism exclusion, or the inapplicability or omission of a terrorism exclusion, does not serve to create coverage for any loss which would otherwise be excluded under this form, such as losses excluded by the Nuclear Exclusion of War and Government Seizure Exclusion.

B. The following changes apply to **Coverage B – Business Liability**:

Under **Coverage B – Exclusions**, the following is added:

3. Certified Acts of Terrorism and Non-Certified Acts of Terrorism

We will not cover any accidental events, personal injury or advertising injury or medical expenses due to a **certified act of terrorism** and a **non-certified act of terrorism**. However, with respect to a **non-certified act of terrorism**, this exclusion only applies if one or more of the following are attributable to such an act:

1. The total insured damage to all types or property 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 person and entities effected by the terrorism and loss of income-rents sustained by owners

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and 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; or

2. Fifty or more persons sustain death or serious physical injury. For the purposes of this provision, serious physical injury means:
 - i. Physical injury that involves a substantial risk of death; or
 - ii. Protracted and obvious physical disfigurement; or
 - iii. Protracted loss of or impairment of the function of a bodily member or organ; or
3. The terrorism involves the use, release or escape of nuclear materials, or directly or indirectly results in nuclear reaction or radiation, or radioactive contamination; or
4. The terrorism is carried out by means of the dispersal or application of pathogenic or poisonous biological or chemical materials; or
5. Pathogenic or poisonous biological or chemical materials are released and it appears that one purpose of the terrorism was to release such materials.

With respect to this exclusion, paragraphs 1. and 2. immediately preceding describes the threshold used to measure the magnitude of an incident of a **non-certified act of terrorism** and the circumstances in which the threshold will apply for the purpose of determining whether this exclusion applies to that incident. When this exclusion applies to a **non-certified act of terrorism**, there is no coverage under this form.

In the event of any incident of a **certified act of terrorism** or a **non-certified act of terrorism** that is not subject to this exclusion, coverage does not apply to any loss or damage that is otherwise excluded under this form.

C. The following definitions are added to the General Section under **Definitions**:

1. **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 the Act for a **certified act of terrorism** include the following:

- a. The act resulted in ~~insured~~ losses in excess of \$5,000,000 ~~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.

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2. **Non-Certified Act of Terrorism** means a violent act or an act that is dangerous to human life, property or infrastructure that is committed by an individual or individuals and that appears to be part of an effort to coerce a civilian population or to influence the policy or affect the conduct of any government by coercion, and the act is not certified as a terrorist act pursuant to the federal Terrorism Risk Insurance Act, ~~as amended~~. However, a **non-certified act of terrorism** does not include an act which meets the criteria set forth in Paragraph b. of the definition of a **certified act of terrorism**, when such act resulted in ~~insured~~ losses of \$5,000,000 or less. Multiple incidents of a **non-certified act 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.

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Coverage A – Business Property
Coverage B – Business Liability

**Limited Exclusion for Non-Certified Acts of Terrorism;
Cap on Certified Acts of Terrorism**

This endorsement modifies insurance provided under the following:

Customizer – Named Peril Form

The following changes apply to **Coverage A – Business Property**:

1. Under **Losses Covered Under Coverage A**, the following is added:

13. Certified Acts of Terrorism

We will cover losses that result from a **certified act of terrorism** as defined under the General Section of this form.

However, with respect to any one or more **certified acts of terrorism** under the federal Terrorism Risk Insurance Act as amended, we will not pay any amount for which we are not responsible under the terms of the Act (including subsequent action of Congress pursuant to the Act) due to the application of any clause which results in a cap on our liability for payments for terrorism losses.

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If aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act exceeds \$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, we shall not be liable for the payment of any portion of the amount of such losses 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.

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2. Under **Losses We Do Not Cover**, the following is added:

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8. Non-Certified Acts of Terrorism

We will not pay for any loss or damage caused directly or indirectly by a **non-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 loss. But, with respect to a **non-certified act of terrorism**, this exclusion will only apply when one or more of the following are attributed to such an act:

1. The terrorism is carried out by means of the dispersal or application of pathogenic or poisonous biological or chemical materials; or
2. Pathogenic or poisonous biological or chemical materials are released, and it appears that one purpose of the terrorism was to release such materials.
3. 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 loss of income-rents 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.

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With respect to this Item 3., the immediately preceding paragraph describes the threshold used to measure the magnitude of a **non-certified act of terrorism** and the circumstances

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in which the threshold will apply, for the purpose of determining whether this exclusion will apply to that incident. When this exclusion applies to a **non-certified act of terrorism**, there is no coverage under this form.

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The terms and limitations of any terrorism exclusion, or the inapplicability or omission of a terrorism exclusion, does not serve to create coverage for any loss which would otherwise be excluded under this form, such as losses excluded by the Nuclear Exclusion or War and Government Seizure Exclusion.

B. The following changes apply to **Coverage B – Business Liability**:

Under **Coverage B – Exclusions**, the following is added:

3. Non-Certified Acts of Terrorism

We will not cover accidental events, personal injury or advertising injury or medical expenses due to a **non-certified act of terrorism**. However, this exclusion only applies if one or more of the following are attributable to such an act:

1. The total insured damage to all types of property 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 person and entities effected by the terrorism and loss of income-rents sustained by owners and 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; or
2. Fifty or more persons sustain death or serious physical injury. For the purposes of this provision, serious physical injury means:
 - i. Physical injury that involves a substantial risk of death; or
 - ii. Protracted and obvious physical disfigurement; or
 - iii. Protracted loss of or impairment of the function of a bodily member or organ; or
3. The terrorism involves the use, release or escape of nuclear materials, or directly or indirectly results in nuclear reaction or radiation, or radioactive contamination; or
4. The terrorism is carried out by means of the dispersal or application of pathogenic or poisonous biological or chemical materials; or
5. Pathogenic or poisonous biological or chemical materials are released and it appears that one purpose of the terrorism was to release such materials.

With respect to this exclusion, paragraphs 1. and 2. immediately preceding describes the threshold used to measure the magnitude of an incident of a **non-certified act 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 this exclusion applies to a **non-certified act of terrorism**, there is no coverage under this firm.

In the event of any incident of a **non-certified act of terrorism** that is not subject to this exclusion, coverage does not apply to any loss or damage that is otherwise excluded under this form.

With respect to any one or more a **certified act of terrorism** under the federal Terrorism Risk Insurance Act, ~~as amended~~, we will not pay any amount for which we are not responsible under the terms of the Act (including subsequent action of Congress pursuant to the Act) due to the application of any clause which results in a cap on our liability for payments for terrorism losses.

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C. The following definitions are added to the General Section under **Definitions**:

1. **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 the Act for a **certified act of terrorism** include the following:

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- a. The act resulted in insured losses in excess of \$5,000,000 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.

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2. **Non-Certified Act of Terrorism** means a violent act or an act that is dangerous to human life, property or infrastructure that is committed by an individual or individuals and that appears to be part of an effort to coerce a civilian population or to influence the policy or affect the conduct of any government by coercion, and the act is not certified as a terrorist act pursuant to the federal Terrorism Risk Insurance Act. However, a **non-certified act of terrorism** does not include an act which meets the criteria set forth in Paragraph b. of the definition of a **certified act of terrorism**, when such act resulted in aggregate losses of \$5,000,000 or less. Multiple incidents of a **non-certified act 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.

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Coverage A – Business Property
Coverage B – Business Liability

**Limited Exclusion for Non-Certified Acts of Terrorism;
Exclusion for Certified Acts of Terrorism**

This endorsement modifies insurance provided under the following:

Customizer - Special Form
Customizer - Builder's Risk Form

A. The following changes apply to **Coverage A – Business Property**:

Under **Losses We Do Not Cover**, the following is added:

1. f. Certified Acts of Terrorism and Non-Certified Acts of Terrorism

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

1. The terrorism is carried out by means of the dispersal or application of pathogenic or poisonous biological or chemical materials; or
2. Pathogenic or poisonous biological or chemical materials are released, and it appears that one purpose of the terrorism was to release such materials: or
3. 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 loss of income-rents 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.

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With respect to this Item 3., the immediately preceding paragraph describes the threshold used to measure the magnitude of a **non-certified act 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 this exclusion applies to a **non-certified act of terrorism**, there is no coverage under this form.

The terms and limitations of any terrorism exclusion, or the inapplicability or omission of a terrorism exclusion, does not serve to create coverage for any loss which would otherwise be excluded under this form, such as losses excluded by the Nuclear Exclusion or War and Government Seizure Exclusion.

B. The following changes apply to **Coverage B – Business Liability**:

Under **Coverage B – Exclusions**, the following is added:

3. Certified Acts of Terrorism and Non-Certified Acts of Terrorism

We will not cover any accidental events, personal injury or advertising injury or medical expenses due to a **certified act of terrorism** and a **non-certified act of terrorism**. However, with respect to a **non-certified act of terrorism**, this exclusion only applies if one or more of the following are attributable to such an act:

1. The total insured damage to all types of property 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 person and entities ~~affected~~ by the terrorism and loss of income-rents sustained by owners and 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; or

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2. Fifty or more persons sustain death or serious physical injury. For the purposes of this provision, serious physical injury means:
 - i. Physical injury that involves a substantial risk of death; or
 - ii. Protracted and obvious physical disfigurement; or
 - iii. Protracted loss of or impairment of the function of a bodily member or organ; or
 3. The terrorism involves the use, release or escape of nuclear materials, or directly or indirectly results in nuclear reaction or radiation, or radioactive contamination; or
 4. The terrorism is carried out by means of the dispersal or application of pathogenic or poisonous biological or chemical materials; or
 5. Pathogenic or poisonous biological or chemical materials are released and it appears that one purpose of the terrorism was to release such materials.
- With respect to this exclusion, paragraphs 1. and 2. immediately preceding describes the threshold used to measure the magnitude of an incident of a **non-certified act of terrorism** and the circumstances in which the threshold will apply for the purpose of determining whether this exclusion applies to that incident. When this exclusion applies to a **non-certified act of terrorism**, there is no coverage under this form.

In the event of any incident of a **certified act of terrorism** or a **non-certified act of terrorism** that is not subject to this exclusion, coverage does not apply to any loss or damage that is otherwise excluded under this form.

C. The following definitions are added to the General Section under **Definitions**:

1. **Certified Act of Terrorism** means an act that is certified by the Secretary of the Treasury, in concurrence with the Secretary of State and the Attorney General of the United States, to be an act of terrorism pursuant to the federal Terrorism Risk Insurance Act. ~~The criteria contained in the Act for a certified act(s) of terrorism include the following:~~

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- a. The act resulted in ~~insured~~ losses in excess of \$5,000,000 ~~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.

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2. **Non-Certified Act of Terrorism** means a violent act or an act that is dangerous to human life, property or infrastructure that is committed by an individual or individuals and that appears to be part of an effort to coerce a civilian population or to influence the policy or affect the conduct of any government by coercion, and the act is not certified as a terrorist act pursuant to the federal Terrorism Risk Insurance Act, ~~as amended~~. However, a **non-certified act of terrorism** does not include an act which meets the criteria set forth in Paragraph b. of the definition of a **certified act of terrorism**, when such act resulted in aggregate losses of \$5,000,000 or less.

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Multiple incidents of a **non-certified act 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.

Coverage A – Business Property
Coverage B – Business Liability

**Limited Exclusion for Non-Certified Acts of Terrorism;
Cap on Certified Acts of Terrorism**

This endorsement modifies insurance provided under the following:

Customizer - Special Form
Customizer - Builder's Risk Form

A. The following changes apply to **Coverage A – Business Property**:

Under **Losses We Do Not Cover**, the following is added:

1. f. Non-Certified Acts of Terrorism

We will not pay for any loss or damage caused directly or indirectly by a **non-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 loss. But, with respect to a **non-certified act of terrorism**, this exclusion will only apply when one or more of the following are attributed to such an act:

1. That is carried out by means of the dispersal or application of pathogenic or poisonous biological or chemical materials; or
2. In which pathogenic or poisonous biological or chemical materials are released, and it appears that one purpose of the terrorism was to release such materials.
3. 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 loss of income-rents 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.

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With respect to this Item 3., the immediately preceding paragraph describes the threshold used to measure the magnitude of a **non-certified act 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 this exclusion applies to a **non-certified act of terrorism**, there is no coverage under this form.

With respect to any one or more **certified act of terrorism** under the federal Terrorism Risk Insurance Act, ~~as amended~~, we will not pay any amount for which we are not responsible under the terms of the Act (including subsequent action of Congress pursuant to the Act) due to the application of any clause which results in a cap on our liability for payments for terrorism losses.

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The terms and limitations of any terrorism exclusion, or the inapplicability or omission of a terrorism exclusion, does not serve to create coverage for any loss which would otherwise be excluded under this form, such as losses excluded by the Nuclear Exclusion or War and Government Seizure Exclusion.

B. The following changes apply to **Coverage B – Business Liability**:

Under **Coverage B – Exclusions**, the following is added:

3. Non-Certified Acts of Terrorism

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We will not cover accidental events, personal injury or advertising injury or medical expenses due to a **non-certified act of terrorism**. However, this exclusion only applies if one or more of the following are attributable to such an act:

1. The total insured damage to all types of property 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 person and entities affected by the terrorism and loss of income-rents sustained by owners and 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; or
2. Fifty or more persons sustain death or serious physical injury. For the purposes of this provision, serious physical injury means:
 - i. Physical injury that involves a substantial risk of death; or
 - ii. Protracted and obvious physical disfigurement; or
 - iii. Protracted loss of or impairment of the function of a bodily member or organ; or
3. The terrorism involves the use, release or escape of nuclear materials, or directly or indirectly results in nuclear reaction or radiation, or radioactive contamination; or
4. The terrorism is carried out by means of the dispersal or application of pathogenic or poisonous biological or chemical materials; or
5. Pathogenic or poisonous biological or chemical materials are released and it appears that one purpose of the terrorism was to release such materials.

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With respect to this exclusion, paragraphs 1. and 2. immediately preceding describes the threshold used to measure the magnitude of an incident of a **non-certified act 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 this exclusion applies to a **non-certified act of terrorism**, there is no coverage under this form.

In the event of any incident of a **non-certified act of terrorism** that is not subject to this exclusion, coverage does not apply to any loss or damage that is otherwise excluded under this form.

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

C. The following definitions are added to the General Section under **Definitions**:

1. **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 the Act for a **certified act of terrorism** include the following:
 - a. The act resulted in aggregate losses in excess of \$5,000,000 in the aggregate, attributable to all types on 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.

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If aggregate insurance losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act exceeds \$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, we shall not be liability for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to the amount are subject to pro rata allocation in accordance with procedures established by the "Secretary of the treasury.

2. **Non-Certified Act of Terrorism** means a violent act or an act that is dangerous to human life, property or infrastructure that is committed by an individual or individuals and that appears to be part of an effort to coerce a civilian population or to influence the policy or affect the conduct of any government by coercion, and the act is not certified as a terrorist act pursuant to the federal

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Terrorism Risk Insurance Act. However, a **non-certified act of terrorism** does not include an act which meets the criteria set forth in Paragraph b. of the definition of a **certified act of terrorism**, when such act resulted in aggregate losses of \$5,000,000 or less. Multiple incidents of a **non-certified act 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.

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