

SERFF Tracking Number: PNMC-125600665 State: Arkansas
Filing Company: Pennsylvania National Mutual Casualty Insurance Company State Tracking Number: EFT \$50
Company Tracking Number: DLK-08-004FO
TOI: 17.0 Other Liability - Claims Made/Occurrence Sub-TOI: 17.0020 Commercial Umbrella & Excess
Product Name: UMB 2007TerrorismForm
Project Name/Number: DLK-08-004FO/DLK-08-004FO

Filing at a Glance

Company: Pennsylvania National Mutual Casualty Insurance Company
Product Name: UMB 2007TerrorismForm SERFF Tr Num: PNMC-125600665 State: Arkansas
TOI: 17.0 Other Liability - Claims SERFF Status: Closed State Tr Num: EFT \$50
Made/Occurrence
Sub-TOI: 17.0020 Commercial Umbrella & Excess Co Tr Num: DLK-08-004FO State Status: Fees verified and received
Filing Type: Form Co Status: Reviewer(s): Betty Montesi, Edith Roberts, Brittany Yielding
Author: Denise King Disposition Date: 04/16/2008
Date Submitted: 04/09/2008 Disposition Status: Approved
Effective Date Requested (New): 12/27/2007 Effective Date (New):
Effective Date Requested (Renewal): 12/27/2007 Effective Date (Renewal):
State Filing Description:

General Information

Project Name: DLK-08-004FO Status of Filing in Domicile: Not Filed
Project Number: DLK-08-004FO Domicile Status Comments:
Reference Organization: Reference Number:
Reference Title: Advisory Org. Circular:
Filing Status Changed: 04/16/2008 Deemer Date:
State Status Changed: 04/16/2008
Corresponding Filing Tracking Number:
Filing Description:
Re: Pennsylvania National Mutual Casualty Insurance Company
NAIC No. 14990 FEIN 23-096-1349 Group Code 271
Terrorism Risk Insurance Program Reauthorization Act of 2007
Commercial Umbrella Liability Policy
PNI File No.: DLK-08-004FO

SERFF Tracking Number: PNMC-125600665 State: Arkansas
Filing Company: Pennsylvania National Mutual Casualty Insurance Company State Tracking Number: EFT \$50
Company Tracking Number: DLK-08-004FO
TOI: 17.0 Other Liability - Claims Made/Occurrence Sub-TOI: 17.0020 Commercial Umbrella & Excess
Product Name: UMB 2007TerrorismForm
Project Name/Number: DLK-08-004FO/DLK-08-004FO

PURPOSE:

We are filing for your review and approval the following actions in response to the Terrorism Risk Insurance Program Reauthorization Act of 2007.

Action Company Form No(s).

Cap On Losses From Certified Acts of Terrorism 71 1071 0108

Disclosure Notice 71 1061 0203

(Revised 1207)

Notice to Policyholders 71 1148 0108

The companion rule filing, DLK-08-004RU is being filed under separate cover.

ATTACHMENTS:

71 1061 0203 (Revised 1207) Terrorism Disclosure Notices

71 1071 0108 Cap on Losses From Certified Acts of Terrorism

71 1148 0108 Notice to Policyholders

PROPOSAL:

The above actions are effective on the date of enactment, December 27, 2007.

Company and Contact

Filing Contact Information

Denise King, Senior Underwriting Technician dlking@pnat.com
2 N. Second St. (717) 234-4941 [Phone]
Harrisburg, PA 17105-2361 (717) 255-6327[FAX]

Filing Company Information

Pennsylvania National Mutual Casualty Insurance Company CoCode: 14990 State of Domicile: Pennsylvania
2 N. Second St. Group Code: 271 Company Type: P&C

SERFF Tracking Number: PPMC-125600665 State: Arkansas
Filing Company: Pennsylvania National Mutual Casualty Insurance Company State Tracking Number: EFT \$50
Company Tracking Number: DLK-08-004FO
TOI: 17.0 Other Liability - Claims Made/Occurrence Sub-TOI: 17.0020 Commercial Umbrella & Excess
Product Name: UMB 2007TerrorismForm
Project Name/Number: DLK-08-004FO/DLK-08-004FO

PO Box 2361

Harrisburg, PA 17105-2361

(717) 234-4941 ext. [Phone]

Group Name: Penn National
Insurance

FEIN Number: 23-0961349

State ID Number: 03

SERFF Tracking Number: PNMC-125600665 State: Arkansas
Filing Company: Pennsylvania National Mutual Casualty State Tracking Number: EFT \$50
Insurance Company
Company Tracking Number: DLK-08-004FO
TOI: 17.0 Other Liability - Claims Made/Occurrence Sub-TOI: 17.0020 Commercial Umbrella & Excess
Product Name: UMB 2007TerrorismForm
Project Name/Number: DLK-08-004FO/DLK-08-004FO

Filing Fees

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

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
Pennsylvania National Mutual Casualty Insurance Company	\$50.00	04/09/2008	19398801

SERFF Tracking Number: PNM-125600665 State: Arkansas
Filing Company: Pennsylvania National Mutual Casualty Insurance Company State Tracking Number: EFT \$50
Company Tracking Number: DLK-08-004FO
TOI: 17.0 Other Liability - Claims Made/Occurrence Sub-TOI: 17.0020 Commercial Umbrella & Excess
Product Name: UMB 2007TerrorismForm
Project Name/Number: DLK-08-004FO/DLK-08-004FO

Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Approved	Edith Roberts	04/16/2008	04/16/2008

SERFF Tracking Number: PPMC-125600665 State: Arkansas
Filing Company: Pennsylvania National Mutual Casualty Insurance Company State Tracking Number: EFT \$50
Company Tracking Number: DLK-08-004FO
TOI: 17.0 Other Liability - Claims Made/Occurrence Sub-TOI: 17.0020 Commercial Umbrella & Excess
Product Name: UMB 2007TerrorismForm
Project Name/Number: DLK-08-004FO/DLK-08-004FO

Disposition

Disposition Date: 04/16/2008

Effective Date (New):

Effective Date (Renewal):

Status: Approved

Comment:

Rate data does NOT apply to filing.

SERFF Tracking Number: PNM-125600665 State: Arkansas

Filing Company: Pennsylvania National Mutual Casualty Insurance Company State Tracking Number: EFT \$50

Company Tracking Number: DLK-08-004FO

TOI: 17.0 Other Liability - Claims Made/Occurrence Sub-TOI: 17.0020 Commercial Umbrella & Excess

Product Name: UMB 2007TerrorismForm

Project Name/Number: DLK-08-004FO/DLK-08-004FO

Item Type	Item Name	Item Status	Public Access
Form	Disclosure Notice	Approved	Yes
Form	Notice to Policyholders	Approved	Yes
Form	Cap on Losses from Certified Acts of Terrorism	Approved	Yes

SERFF Tracking Number: PNNC-125600665 State: Arkansas
 Filing Company: Pennsylvania National Mutual Casualty Insurance Company State Tracking Number: EFT \$50
 Company Tracking Number: DLK-08-004FO
 TOI: 17.0 Other Liability - Claims Made/Occurrence Sub-TOI: 17.0020 Commercial Umbrella & Excess
 Product Name: UMB 2007TerrorismForm
 Project Name/Number: DLK-08-004FO/DLK-08-004FO

Form Schedule

Review Status	Form Name	Form #	Edition Date	Form Type Action	Action Specific Data	Readability	Attachment
Approved	Disclosure Notice	71 1061	0203 (Revised 1207)	Disclosure/ Replaced Notice	Replaced Form #: 71 1061 0203 (Revised 0106) Previous Filing #:		10611207.pdf
Approved	Notice to Policyholders	71 1148	0108	Disclosure/ Replaced Notice	Replaced Form #: 71 1148 0107 Previous Filing #:		11480108.pdf
Approved	Cap on Losses from Certified Acts of Terrorism	71 1071	0108	Endorsement/Amendment/Conditions Replaced	Replaced Form #: 71 1071 0107 Previous Filing #:		10710108.pdf



**PENN NATIONAL
INSURANCE**

Pennsylvania National Mutual Casualty Insurance Company
Penn National Security Insurance Company
P. O. Box 2361
Harrisburg PA 17105-2361

THIS ENDORSEMENT IS ATTACHED TO AND MADE PART OF YOUR POLICY IN RESPONSE TO THE DISCLOSURE REQUIREMENTS OF THE TERRORISM RISK INSURANCE ACT. THIS ENDORSEMENT DOES NOT GRANT ANY COVERAGE OR CHANGE THE TERMS AND CONDITIONS OF ANY COVERAGE UNDER THE POLICY.

DISCLOSURE PURSUANT TO TERRORISM RISK INSURANCE ACT

Disclosure of Federal Participation in Payment of Terrorism Losses

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

Cap On Insurer Participation In Payment Of Terrorism Losses

If aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act exceed \$100 billion in a Program Year (January 1 through December 31) and we have met our insurer deductible under the Terrorism Risk Insurance Act, we shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.

DISCLOSURE OF PREMIUM

The portion of your annual premium that is attributable to coverage for acts of terrorism is \$ 0.00.

Commercial Umbrella Policies Only

Coverage for certified acts of terrorism under your Commercial Umbrella Policy will be excess over any underlying policy limits regardless of whether you have accepted or rejected coverage on those policies for certified acts of terrorism.



**PENN NATIONAL
INSURANCE**

Pennsylvania National Mutual Casualty Insurance Company
Penn National Security Insurance Company
P. O. Box 2361
Harrisburg PA 17105-2361

NOTICE TO POLICYHOLDERS

POTENTIAL RESTRICTIONS OF TERRORISM COVERAGE (General Liability and Commercial Umbrella)

This Notice has been prepared in conjunction with the **POTENTIAL** implementation of changes related to coverage of terrorism under your policy.

This Notice does **not** form a part of your insurance contract. The Notice is designed to alert you to coverage restrictions and to other provisions in certain terrorism endorsement(s) in this policy. If there is any conflict between this Notice and the policy (including its endorsements), the provisions of the policy (including its endorsements) apply.

Carefully read your policy, including the endorsements attached to your policy.

YOUR POLICY AT START OF NEW POLICY TERM

If endorsement CG 21 70 or 71 1071 is attached to your policy

INFORMATION ON LIMITATIONS ON FEDERAL AND INSURER LIABILITY

Under the federal Risk Insurance Program Reauthorization Act of 2007, the definition of “certified acts of terrorism” (which is more fully defined in the endorsement) no longer requires that the act of terrorism be committed by or on behalf of a foreign interest. Therefore, coverage for “certified acts of terrorism” now encompasses, for example, an act committed against the United States government by a United States citizen, when the act is determined by the federal government to be a “certified act of terrorism” under the terms of the federal Terrorism Risk Insurance Program. Coverage is subject to all policy exclusions (for example, nuclear hazard and war exclusions) and other policy provisions.

The government may participate in paying for some of the losses from a “certified act of terrorism” However, if aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act exceed \$100 billion in a Program Year (January 1 through December 31), the Treasury shall not make any payment for any portion of the amount of such losses that exceeds the \$100 billion. Further, this coverage is subject to a limit on our liability pursuant to the federal law, that is, if aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act exceed \$100 billion in a Program Year (January 1 through December 31) and we have met our insurer deductible under the Terrorism Risk Insurance Act, we shall not be liable for payment of any portion of the amount of such losses that exceeds the \$100 billion. 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.

Refer to the endorsement and to the rest of the insurance contract for provisions that govern coverage for, or that exclude coverage for, losses arising out of terrorism.

If endorsement CG 2170/CG 2173/711071/CU2133 is attached to your policy.

CHANGE IN DEFINITION OF CERTIFIED ACTS OF TERRORISM

Under the federal Terrorism Risk Insurance Program Reauthorization Act of 2007, the definition of "certified acts of terrorism" (which is more fully defined in the endorsement) no longer requires that the act of terrorism be committed by or on behalf of a foreign interest. **Therefore, the "certified acts of terrorism" exclusion is no longer limited to an act of terrorism committed by or on behalf of a foreign interest.** The exclusion applies to any terrorist act when the act is determined by the federal government to be a "certified act of terrorism" under the terms of the federal Terrorism Risk Insurance Program, including for example an act committed against the United States government by a United States citizen.

Refer to the terrorism endorsement for the definition of "certified acts of terrorism". Refer to the endorsement, and to the rest of the insurance contract, for provisions that govern coverage for, or that exclude coverage for, losses arising from terrorism.

If endorsement CG 2176/CU2136 is attached to your policy.

CHANGE IN DEFINITION OF CERTIFIED ACTS OF TERRORISM

Under the federal Terrorism Risk Insurance Program Reauthorization Act of 2007, the definition of "certified acts of terrorism" (which is more fully defined in the endorsement) no longer requires that the act of terrorism be committed by or on behalf of a foreign interest. **Therefore, the punitive damages exclusion related to "certified acts of terrorism" is no longer limited to an act of terrorism committed by or on behalf of a foreign interest.** The exclusion applies to any terrorist act when the act is determined by the federal government to be a "certified act of terrorism" under the terms of the federal Terrorism Risk Insurance Program, including for example an act committed against the United States government by a United States citizen.

Refer to the terrorism endorsement for the definition of "certified acts of terrorism". Refer to the endorsement, and to the rest of the insurance contract, for provisions that govern coverage for, or that exclude coverage for, losses arising from terrorism.



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM

This endorsement modifies insurance provided under the following:

COMMERCIAL LIABILITY UMBRELLA COVERAGE PART

With respect to any one or more "certified acts of terrorism":

influence the policy or affect the conduct of the United States Government by coercion.

1. We will be liable only for that portion of damages in excess of:
 - a) The limits of the applicable underlying policy(s) listed in the schedule of underlying insurance regardless of whether the underlying insurance is providing or not providing coverage for "certified acts of terrorism"; and
 - b) The applicable limits of any other underlying insurance providing coverage to the insured;

If aggregate insured losses attributable to terrorist acts certified under the federal Terrorism Risk Insurance Act exceed \$100 billion in a Program Year (January 1 through December 31) and we have met our insurer deductible under the Terrorism Risk Insurance Act, we shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.

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

1. The act resulted in insured losses in excess of \$5 million in the aggregate, attributable to all types of insurance subject to the Terrorism Risk Insurance Act; and
2. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to

SERFF Tracking Number: PPMC-125600665 State: Arkansas
Filing Company: Pennsylvania National Mutual Casualty Insurance Company State Tracking Number: EFT \$50
Company Tracking Number: DLK-08-004FO
TOI: 17.0 Other Liability - Claims Made/Occurrence Sub-TOI: 17.0020 Commercial Umbrella & Excess
Product Name: UMB 2007TerrorismForm
Project Name/Number: DLK-08-004FO/DLK-08-004FO

Rate Information

Rate data does NOT apply to filing.