

ADDENDUM TO APPLICATION

POLICYHOLDER DISCLOSURE NOTICE OF TERRORISM INSURANCE COVERAGE

_____ ("Insurer") hereby notifies you that under the Terrorism Risk Insurance Act of 2002, including any amendments thereto, (the "Act"), effective November 26, 2002, you now have a right to purchase insurance coverage for losses arising out of certified acts of terrorism as defined in the Act. The term "certified act of terrorism" means any act that is certified by the United States Secretary of the Treasury, in concurrence with the United States Secretary of State and United States Attorney General, to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property, or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of an air carrier or vessel or the premises of a United States mission; and to have been committed by an individual or individuals acting on behalf of any foreign person or foreign interest as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

YOU SHOULD KNOW THAT IF YOU ELECT TO PURCHASE COVERAGE FOR LOSSES CAUSED BY A CERTIFIED ACT OF TERRORISM, LOSSES PAID UNDER THAT COVERAGE WILL BE PARTIALLY REIMBURSED BY THE UNITED STATES UNDER A FORMULA ESTABLISHED BY FEDERAL LAW. UNDER THIS FORMULA, THE UNITED STATES PAYS 90% OF COVERED TERRORISM LOSSES EXCEEDING THE STATUTORILY ESTABLISHED DEDUCTIBLE PAID BY THE INSURANCE COMPANY PROVIDING THE COVERAGE. THE ADDITIONAL PREMIUM CHARGED FOR THIS COVERAGE IS STATED BELOW AND DOES NOT INCLUDE ANY CHARGES FOR THE PORTION OF LOSS COVERED BY THE FEDERAL GOVERNMENT UNDER THE ACT.

SELECTION OR REJECTION OF TERRORISM INSURANCE COVERAGE

UNDER FEDERAL LAW, IF THE POLICY YOU HAVE APPLIED FOR IS APPROVED YOU HAVE THE RIGHT TO ACCEPT OR REJECT COVERAGE FOR A CERTIFIED ACT OF TERRORISM, SUBJECT TO THE POLICY'S OTHER TERMS, CONDITIONS, EXCLUSIONS, AND LIMITS. THE PREMIUM FOR THIS COVERAGE WILL BE IN ADDITION TO THE INSURER'S PREMIUM CHARGES IF THE INSURER'S TERRORISM EXCLUSION WERE INCLUDED.

Please Select One of the Options Below:

<input type="checkbox"/>	I hereby elect to purchase coverage for a certified act of terrorism for an additional annual premium of \$ _____. I understand that if my application for coverage is approved, my policy will be issued without the insurance company's standard terrorism exclusion, but such coverage would be subject to all of the other Policy terms, conditions, exclusions, and limits (including an exclusion for acts of terrorism not certified by the Secretary of Treasury). If the Terrorism Risk Insurance Act of 2002 is not extended beyond December 31, 2005, then terrorism coverage under this policy will be affected and we will return a pro-rata amount of this charge accordingly.
<input type="checkbox"/>	I hereby elect to reject coverage for a certified act of terrorism. I understand that I will have no coverage for losses arising from any act of terrorism and agree that the Insurer's standard Terrorism Exclusion will be part of my Policy if my application for insurance is approved.

Applicant's Signature

Date

Print Name of Applicant

Print Corporate Title if Policy Applicant is a Corporation