

REGIS



INSURANCE COMPANY

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DISCLOSURE NOTICE OF TERRORISM INSURANCE COVERAGE

You are hereby notified that under the Terrorism Risk Insurance Act of 2002, effective November 26, 2002, that you now have a right to purchase insurance coverage for losses arising out of acts of terrorism, as defined in Section 102(1) of the Act: The term "act of terrorism" means any act that is certified by the Secretary of the Treasury, in concurrence with the Secretary of State, and the Attorney General of the United States—to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property; or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of 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 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.

Any coverage for losses caused by certified acts of terrorism is 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 coverage. Under the Act, the maximum amount that the insurers and the federal government are required to pay in respect of terrorism loss(es) in any given calendar year is \$100 billion. The premium charged for this coverage is provided above and does not include any charges for the portion of loss covered by the federal government under the Act.

COVERAGE FOR "INSURED LOSSES" AS DEFINED IN THE TERRORISM RISK INSURANCE ACT OF 2002 AS AMENDED IS SUBJECT TO THE COVERAGE TERMS, CONDITIONS, AMOUNTS AND LIMITS IN THIS POLICY APPLICABLE TO LOSSES ARISING FROM EVENTS OTHER THAN ACTS OF TERRORISM.

YOU SHOULD KNOW THAT UNDER FEDERAL LAW YOU ARE NOT REQUIRED TO PURCHASE COVERAGE FOR LOSSES CAUSED BY CERTIFIED ACTS OF TERRORISM.

REJECTION OR SELECTION OF TERRORISM INSURANCE COVERAGE

Please "X" one of the boxes below and return this notice to your broker.

_____ **I decline to purchase Terrorism Coverage. I understand that I will have no coverage for losses arising from acts of Terrorism.**

_____ **I elect to purchase coverage for certified acts of Terrorism for a premium of \$____. (This is in addition to the accompanying premium quotation.)**

Note: If you do not respond to this notice at the time coverage is bound for the accompanying package, liability or fire policy quotation, you will have no Terrorism Coverage under this policy.

Authorized Signature _____

Date _____