

WESTERN WORLD INSURANCE GROUP

NOTICE - OFFER OF TERRORISM COVERAGE
NOTICE - DISCLOSURE OF PREMIUM
GENERAL LIABILITY AND PROPERTY

The Terrorism Risk Insurance Extension Act of 2005 establishes a program within the Department of the Treasury, under which the federal government shares, with the insurance industry, the risk of loss from future terrorist attacks. The Act applies when the Secretary of the Treasury certifies that an event meets the definition of an act of terrorism. The Act provides that, to be certified, an act of terrorism must cause losses of at least fifty million dollars in 2006 or one hundred million dollars in 2007 and must have been committed by an individual or individuals acting on behalf of any foreign person or foreign interest to coerce the government or population of the United States.

In accordance with the Terrorism Risk Insurance Extension Act of 2005, we are required to offer you coverage for losses resulting from an act of terrorism that is certified under the federal program as an act of terrorism committed by an individual(s) acting on behalf of a foreign person or foreign interest. The policy's other provisions will still apply to such an act. Your decision is needed on this question: do you choose to pay the premium for terrorism coverage stated in this offer of coverage, or do you reject the offer of coverage and not pay the premium? You may accept or reject this offer.

See the section of this Notice titled DISCLOSURE OF PREMIUM. If you choose to accept this offer of coverage, your premium will include the additional premium for terrorism as stated in such DISCLOSURE.

Failure to pay the premium by the due date will constitute rejection of the offer and your policy will be written to exclude the described coverage.

You may choose to reject the offer by signing the enclosed statement and returning it to us, and your policy will be written to exclude the described coverage.

ACCEPTANCE OR REJECTION OF CERTIFIED TERRORISM INSURANCE COVERAGE (CHECK ONE)

- hereby reject the offer of certified terrorism coverage.
 hereby accept the offer of certified terrorism coverage for a prospective premium.

DISCLOSURE OF PREMIUM

If you accept this offer, the premium for terrorism coverage is \$ _____

_____	_____	_____
Policyholder/ Applicant's Signature	Account Name	
_____	_____	_____
Print Name	Date	Policy Number

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 90% in 2006 and 85% in 2007 of that portion of the amount of such insured losses that exceeds the applicable insurer deductible.

Western World Insurance Company - Tudor Insurance Company - Stratford Insurance Company
400 Parson's Pond Drive Franklin Lakes, NJ 07417-2600
Telephone: (201) 847-8600