

**QUOTE 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 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. Coverage may be affected as follows:

YOU SHOULD KNOW THAT COVERAGE PROVIDED BY THIS QUOTE 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% (85% EFFECTIVE 1/1/2007) OF COVERED TERRORISM LOSSES EXCEEDING THE STATUTORILY ESTABLISHED DEDUCTIBLE PAID BY THE INSURANCE COMPANY PROVIDING THE COVERAGE. THE PREMIUM CHARGED FOR THIS COVERAGE IS PROVIDED BELOW AND DOES NOT INCLUDE ANY CHARGES FOR THE PORTION OF LOSS COVERED BY THE FEDERAL GOVERNMENT UNDER THE ACT.

**SELECTION OR REJECTION OF "CERTIFIED ACTS OF TERRORISM" INSURANCE COVERAGE**

YOU WILL **NOT** BE COVERED FOR LOSSES ARISING FROM "CERTIFIED ACTS OF TERRORISM" IF YOU DO NOT ELECT TO PURCHASE THE COVERAGE BY RETURNING THIS SIGNED AND DATED FORM NO LATER THAN THE DATE THAT OTHER COVERAGES UNDER THIS QUOTE ARE BOUND.

<input type="checkbox"/>	I hereby elect to purchase "Certified Acts Of Terrorism" coverage, as described above, for a prospective premium of \$See Quote Sheet.

**CHECK THE ABOVE BOX AND COMPLETE THE FOLLOWING ONLY IF YOU WANT TO PURCHASE COVERAGE FOR "CERTIFIED ACTS OF TERRORISM."**

**COVERAGE FOR "OTHER ACTS OF TERRORISM," SUBJECT TO THE TERMS AND CONDITIONS CONTAINED IN CG2174 OR CG2183, IS PROVIDED AT NO ADDITIONAL PREMIUM CHARGE REGARDLESS OF YOUR ELECTION TO PURCHASE OR REJECT COVERAGE FOR "CERTIFIED ACTS OF TERRORISM."**

**IF THE FEDERAL PROGRAM TERMINATES, OR IS EXTENDED WITH CERTAIN CHANGES, DURING THE TERM OF YOUR POLICY, THEN THE TREATMENT OF TERRORISM UNDER YOUR POLICY WILL CHANGE.**

- **IF YOU ELECT TO PURCHASE COVERAGE AND YOUR POLICY CONTAINS CG2183, THOSE CHANGES ARE CONTAINED IN CG2188 OR CG2189.**
- **IF YOU REJECT COVERAGE AND YOUR POLICY CONTAINS CG2174, THOSE CHANGES ARE CONTAINED IN CG2187.**

Policyholder/Applicant's Signature

AMERICAN EMPIRE SURPLUS LINES  
INSURANCE COMPANY

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Date