ACORD™ INSURANCE SUPPLEMENT

AGENCY	APPLICANT/NAMED INSURED	
Performance Insurance Services, Inc. Carmel, IN 46032	COMPANY:	EFFECTIVE DATE
CODE: SUB CODE:	POLICY #:	

NOTICE - OFFER OF TERRORISM COVERAGE
NOTICE - DISCLOSURE OF PREMIUM

The Terrorism Risk Insurance Act of 2002 establishes a program within the U.S. 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 five million dollars 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 Act of 2002, 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.

- REJECTION STATEMENT

I hereby reject the offer of terrorism coverage. I understand that an **exclusion** of certain terrorism losses will be made part of this policy.

_____ _____

Applicant's/Named Insured's Signature Applicant's/Named Insured's Signature

_____

Applicant's/Named Insured's Signature

OF PREMIUM

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

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% of that portion of the amount of such insured losses that exceeds the applicable insurer retention.

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