

**ENDORSEMENT NO.
(FAIR) TDP-820
Effective
June 1, 2009**

**CAP ON LOSSES FROM CERTIFIED ACTS OF
TERRORISM; DISCLOSURE PURSUANT TO
TERRORISM RISK INSURANCE ACT**

SCHEDULE

Terrorism Premium (Certified Acts) _____ \$0 _____

Additional Information, if any, concerning the terrorism premium:

**A. Cap On Losses From Certified Acts Of
Terrorism**

If:

1. Aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act exceed \$100 billion in a Program Year (January 1 through December 31); and
2. We have met our insurer deductible under the Terrorism Risk Insurance Act;

we shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.

“Certified act of terrorism,” means an 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 pursuant to the federal Terrorism Risk Insurance Act. The federal Terrorism Risk Insurance Act includes the following criteria in a “certified act of terrorism”:

1. The act resulted in insured losses in excess of \$5 million in the aggregate, attributable to all types of insurance subject to the Terrorism Risk Insurance Act; and
2. The act:
 - a. Is violent or dangerous to:
 - 1) Human life;
 - 2) Property; or
 - 3) Infrastructure; and

b. Is committed by an individual or individuals; and

- c. Is part of an effort:
 - 1) To coerce the civilian population of the United States; or
 - 2) To influence the policy or affect the conduct of the United States Government by coercion.

B. Disclosure Of Premium

In accordance with the federal Terrorism Risk Insurance Act, we are required to provide you with a notice disclosing the portion of your premium, if any, which can be attributed to coverage for terrorist acts certified under that Act. The portion of your premium, which can be attributed to such coverage, is shown in the Schedule of this endorsement or the Declarations.

**C. 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 85% of that portion of the amount of such insured losses that exceeds the applicable insurer retention.