

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

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 calendar year; 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 accordance with the provisions of the federal Terrorism Risk Insurance Act, to be an act of terrorism pursuant to such 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.