

[Company Letterhead/Logo]

[Date]

[Policyholder Name]

[Address Line 1]

[Address Line 2]

[City, State, Zip Code]

Re: POLICY RENEWAL - DISCLOSURE PURSUANT TO TERRORISM RISK INSURANCE ACT (TRIA)

Dear [Policyholder Name],

As your insurance policy approaches its renewal date of [Renewal Date], we are writing to provide you with important information regarding the Terrorism Risk Insurance Act (TRIA). This federal law requires that we offer you the option to purchase insurance coverage for "certified acts of terrorism" as defined by the Act.

Background

The Terrorism Risk Insurance Act 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 certified acts of terrorism.

Disclosure of Premium

The portion of your annual premium that is attributable to coverage for acts of terrorism is: **[\$Amount]**. This amount does not include any applicable taxes or fees.

Federal Participation

Under this program, the United States Government generally reimburses 80% of covered terrorism losses exceeding the statutorily established deductible paid by the insurance company providing the coverage.

Cap on Program Losses

If aggregate insured losses exceed \$100 billion in a calendar year and we have met our insurer deductible, neither the Federal Government nor [Insurance Company Name] shall be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion.

Your Options

Please indicate your choice below and return this form by [Due Date]:

I ACCEPT the offer of coverage for certified acts of terrorism.

I REJECT the offer of coverage for certified acts of terrorism. I understand that I will have no coverage for losses arising from certified acts of terrorism.

Policyholder Signature: _____

Print Name: _____

Date: _____

If you have any questions, please contact your insurance agent or representative at [Phone Number].

Sincerely,

[Name/Department]

[Insurance Company Name]