

LESTER KALMANSON AGENCY, INC.  
P.O. BOX 940008  
MAITLAND, FL 32794-0008 U.S.A.  
PH: 407-645-5000 / FAX: 407-645-2810

POLICY DISCLOSURE NOTICE OF TERRORISM INSURANCE COVERAGE

DATE:

APPLICANT:

CARRIER / UNDERWRITERS: 100% CERTAIN UNDERWRITERS AT LLOYDS / LONDON

YOU ARE HERBY NOTIFIED THAT UNDER THE TERRORISM RISK INSURANCE ACT OF 2002, AS AMENDED, 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 WHICH OCCUR ON OR AFTER JANUARY 01, 2006 AND BEFORE THE EXPIRY OF THE POLICY TO WHICH THIS NOTICE APPLIES. 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 THAT 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 OF AFFECT THE CONDUCT OF THE UNITED STATES GOVERNMENT BY COERCION. COVERAGE UNDER YOUR EXISTING POLICY MAY BE AFFECTED AS FOLLOWS:

YOU SHOULD KNOW THAT COVERAGE PROVIDED BY YOUR POLICY 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% IN RESPECT OF LOSSES OCCURRING AFTER DECEMBER 31, 2005) OF COVERED TERRORISM LOSSES EXCEEDING THE STATUTORILY ESTABLISHED DEDUCTIBLE PAID BY THE INSURANCE COMPANY PROVIDING THE COVERAGE. THE PREMIUM CHARGE FOR THIS COVERAGE IS PROVIDED BELOW AND DOES NOT INCLUDE ANY CHARGES FOR THE PORT OF LOSS COVERED BY THE FEDERAL GOVERNMENT UNDER THE ACT.

TRIA 2005 WILL TERMINATE AT THE END OF DECEMBER 31, 2007 UNLESS EXTENDED BY THE FEDERAL GOVERNMENT. IF YOUR POLICY IS IN EFFECT WHEN THE FEDERAL PROGRAM TERMINATES, ANY TERRORISM COVERAGE AFFORDED BY US IN YOUR POLICY FOR THE FEDERAL PROGRAM WILL ALSO CEASE AS OF THAT DATE. \$

	I HEREBY ELECT TO PURCHASE TERRORISM COVERAGE FOR A PROSPECTIVE PREMIUM OF \$ _____ + _____ SLT + _____ SF = \$ _____, Being for the period beginning January 01, 2006 and ending on the date of expiry of the policy to which this notice applies.
	I HEREBY elect to have the exclusion for terrorism coverage reinstated. I understand that I will have no coverage for losses arising from acts of terrorism that were previously excluded.

X \_\_\_\_\_  
INSURED'S SIGNATURE

\_\_\_\_\_  
PRINT NAME

DATE: \_\_\_\_\_

SYNDICATE ON BEHALF OF CERTAIN UNDERWRITERS AT LLOYD'S

RETURN WITH COMPLETED APPLICATION TO: LESTER KALMANSON AGENCY, INC.  
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