

NON-CERTIFIED ACT OF TERRORISM EXCLUSION AND WAR AND MILITARY ACTION EXCLUSION

1. The following definitions are added.
 - a. "Non-certified act of terrorism" means a violent act or an act that is dangerous to human life, property, or infrastructure that:
 - 1) is committed by an individual or individuals; and
 - 2) appears to be part of an effort to coerce a civilian population or to influence the policy or affect the conduct of any government by coercion; and
 - 3) is not certified as a terrorist act pursuant to the Federal Terrorism Risk Insurance Act of 2002 or any amendments thereto.
 - b. "Non-certified terrorism loss" means any loss that results from a "non-certified act of terrorism".
 2. Exclusions relating to injury or damage arising out of or resulting from war, wherever they appear, are deleted and replaced by the War And Military Action Exclusion that follows.
- a. War, including undeclared or civil war; or
 - b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign, or other authority using military personnel or other agents; or
 - c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.
3. When this policy includes form UM 0002 or UM 0009, the following exclusion is added under both items 1. and 2. under Exclusions. When this policy includes form UM 0610, the following exclusion is added under both Exclusions That Apply To Bodily Injury And/Or Property Damage and Additional Exclusions That Apply Only To Advertising Injury And/Or Personal Injury.
 - a. Regardless of the amount of damage and losses, the Non-certified Act of Terrorism Exclusion applies to any incident of "non-certified terrorism loss":

The following War And Military Action Exclusion also applies to coverage for "advertising injury" and or "personal injury", when provided by this policy.

WAR AND MILITARY ACTION EXCLUSION

"We" will not pay for any injury or damage caused directly or indirectly by the following. If the injury or damage is caused by a chain of events, and the dominant cause of such injury or damage is not otherwise excluded, "we" will not deny coverage on the basis that a secondary cause of the injury or damage is excluded under this insurance.

- 1) that involves the use, release, or escape of nuclear materials, or directly or indirectly results in nuclear reaction or radiation or radioactive contamination; or
- 2) that is carried out by means of the dispersal or application of pathogenic or poisonous biological or chemical materials; or
- 3) in which pathogenic or poisonous biological or chemical materials are released, and it appears that one purpose of the terrorism was to release such materials.

However, the Non-certified Act of Terrorism Exclusion does not apply to any loss that results from an act that is not certified by the Secretary of the Treasury to be an act of terrorism solely because the property and casualty insurance losses resulting from that act do not exceed \$5,000,000 in the aggregate.

- b. Except as provided in 3.a.1), 3.a.2), or 3.a.3) above, the Non-certified Act of Terrorism Exclusion will only apply to an incident of "non-certified terrorism loss" in which:
- 1) the total of insured damage to all types of property in the United States, its territories and possessions, Puerto Rico, and Canada exceeds \$25,000,000. In determining whether the \$25,000,000 threshold is exceeded, "we" will include all insured damage sustained by property of all persons and entities affected by the terrorism and business interruption losses sustained by owners or occupants of the damaged property.

For the purpose of this provision, insured damage means damage that is covered by any insurance plus damage that would be covered by any insurance but for the application of any terrorism exclusions. Multiple incidents of "non-certified terrorism loss" which occur within a 72-hour period and appear to be carried out in concert or to have a related purpose or common leadership will be deemed to be one incident; or

- 2) fifty or more persons sustain death or serious physical injury. For the purposes of this provision, serious physical injury means:
 - a) Physical injury that involves a substantial risk of death; or
 - b) Protracted and obvious physical disfigurement; or
 - c) Protracted loss of or impairment of the function of a bodily member or organ.

Preceding paragraphs 3.b.1) and 3.b.2) describe the thresholds used to measure the magnitude of an incident of "non-certified terrorism loss" and the circumstances in which the threshold will apply, for the purpose of determining whether the Non-certified Act of Terrorism Exclusion will apply to that incident. When the Non-certified Act of Terrorism Exclusion applies to an incident of terrorism, there is no coverage under this policy.

NON-CERTIFIED ACT OF TERRORISM EXCLUSION

"We" will not pay for any injury or damage caused directly or indirectly by a "non-certified act of terrorism", including action in hindering or defending against an actual or expected "non-certified act of terrorism". If the injury or damage is caused by a chain of events, and the dominant cause of such injury or damage is not otherwise excluded, "we" will not deny coverage on the basis that a secondary cause of the injury or damage is excluded under this insurance.

4. The following provision is added.

In the event of any incident of "non-certified terrorism loss" that is not subject to the Non-certified Act of Terrorism Exclusion, coverage does not apply to any injury or damage that is otherwise excluded under this policy.