



# Policy certificate

## Insurance effected through the Coverholder:

CFC Underwriting Limited  
85 Gracechurch Street  
London EC3V 0AA  
United Kingdom

## PLEASE NOTE – This notice contains important information. PLEASE READ CAREFULLY.

This Certificate is issued by the Coverholder in accordance with the authorization granted to the Coverholder under the Binding Authority Agreement with the Unique Market Reference stated within this Policy. This Policy comprises a Certificate, the Declarations page, Wording and all other provisions and conditions attached and any endorsements issued.

The liability of an insurer under this contract is several and not joint with other insurers party to this contract. An insurer is liable only for the proportion of liability it has underwritten. An insurer is not jointly liable for the proportion of liability underwritten by any other insurer. Nor is an insurer otherwise responsible for any liability of any other insurer that may underwrite this contract.

The proportion of liability under this contract underwritten by an insurer (or, in the case of a Lloyd's syndicate, the total of the proportions underwritten by all the members of the syndicate taken together) is shown in this Policy.

In the case of a Lloyd's syndicate, each member of the syndicate (rather than the syndicate itself) is an insurer. Each member has underwritten a proportion of the total shown for the syndicate (that total itself being the total of the proportions underwritten by all the members of the syndicate taken together). The liability of each member of the syndicate is several and not joint with other members. A member is liable only for that member's proportion. A member is not jointly liable for any other member's proportion. Nor is any member otherwise responsible for any liability of any other insurer that may underwrite this contract. The business address of each member is Lloyd's, One Lime Street, London EC3M 7HA. The identity of each member of a Lloyd's syndicate and their respective proportion may be obtained by writing to Market Services, Lloyd's, at the above address.

Although reference is made at various points in this clause to "this contract" in the singular, where the circumstances so require this should be read as a reference to contracts in the plural.

In Witness whereof this Certificate has been signed by:

A handwritten signature in black ink, appearing to read 'ARH', followed by a wavy line.

**Authorized Official**

**Please examine this document carefully.** If it does not meet your needs, please contact your broker immediately. In all communications the policy number appearing overleaf should be quoted.



## DECLARATIONS

POLICY NUMBER:	ESM0039902151
UNIQUE MARKET REFERENCES:	B087523C9N5047
THE INSURED:	City of Rome
ADDRESS:	198 North Washington Street Rome, NY 13440 US
THE UNDERWRITERS:	Underwritten by certain underwriters at Lloyd's and other insurers
THE INCEPTION DATE:	00:01 Local Standard Time on 08 Mar 2024
THE EXPIRY DATE:	00:01 Local Standard Time on 08 Mar 2025
TOTAL PAYABLE:	USD15,625.00
Broken down as follows:	
Premium:	USD15,125.00
Policy Administration Fee:	USD500.00
TRIA:	USD0.00
BUSINESS OPERATIONS:	Municipality
CHOICE OF LAW:	New York
SERVICE OF SUIT:	Mendes & Mount LLP 750 7th Avenue New York, NY 10019
LEGAL ACTION:	Worldwide
TERRITORIAL SCOPE:	Worldwide
US CLASSIFICATION:	Surplus Lines
REPUTATIONAL HARM PERIOD:	12 months
INDEMNITY PERIOD:	12 months
WAITING PERIOD:	8 hours
RETROACTIVE DATE:	Unlimited
OPTIONAL EXTENDED REPORTING PERIOD:	12 months for 100% of applicable annualized premium
APPROVED CLAIMS PANEL PROVIDERS:	CFC Response
CYBER INCIDENT MANAGER:	CFC Underwriting Limited
CYBER INCIDENT RESPONSE LINE:	In the event of an actual or suspected cyber incident please call our Cyber Incident Response Team on the toll free 24-hour hotline number: 1 844-677-4155 or email <a href="mailto:cyberclaims@cfc.com">cyberclaims@cfc.com</a>
WORDING:	Cyber, Private Enterprise (US) v3.1
ENDORSEMENTS:	Complaints Notice (USA)



Subjectivity Condition Clause  
RT Special Amendatory Clause  
Policyholder Disclosure Notice Of Terrorism Insurance  
Coverage



## DECLARATIONS

### THE FOLLOWING INSURING CLAUSES ARE SUBJECT TO AN EACH AND EVERY CLAIM LIMIT

#### INSURING CLAUSE 1: CYBER INCIDENT RESPONSE

##### SECTION A: INCIDENT RESPONSE COSTS

Limit of liability: USD1,000,000 each and every claim

Deductible: USD0 each and every claim

##### SECTION B: LEGAL AND REGULATORY COSTS

Limit of liability: USD1,000,000 each and every claim

Deductible: USD25,000 each and every claim

##### SECTION C: IT SECURITY AND FORENSIC COSTS

Limit of liability: USD1,000,000 each and every claim

Deductible: USD25,000 each and every claim

##### SECTION D: CRISIS COMMUNICATION COSTS

Limit of liability: USD1,000,000 each and every claim

Deductible: USD25,000 each and every claim

##### SECTION E: PRIVACY BREACH MANAGEMENT COSTS

Limit of liability: USD1,000,000 each and every claim

Deductible: USD25,000 each and every claim

##### SECTION F: THIRD PARTY PRIVACY BREACH MANAGEMENT COSTS

Limit of liability: USD1,000,000 each and every claim

Deductible: USD25,000 each and every claim

##### SECTION G: POST BREACH REMEDIATION COSTS

Limit of liability: USD50,000 each and every claim, subject to a maximum of 10% of all sums **we** have paid as a direct result of the **cyber event**

Deductible: USD0 each and every claim



## INSURING CLAUSE 2: CYBER CRIME

### SECTION A: FUNDS TRANSFER FRAUD

Limit of liability: USD250,000 each and every claim

Deductible: USD25,000 each and every claim

### SECTION B: THEFT OF FUNDS HELD IN ESCROW

Limit of liability: USD250,000 each and every claim

Deductible: USD25,000 each and every claim

### SECTION C: THEFT OF PERSONAL FUNDS

Limit of liability: USD250,000 each and every claim

Deductible: USD25,000 each and every claim

### SECTION D: EXTORTION

Limit of liability: USD1,000,000 each and every claim

Deductible: USD25,000 each and every claim

### SECTION E: CORPORATE IDENTITY THEFT

Limit of liability: USD250,000 each and every claim

Deductible: USD25,000 each and every claim

### SECTION F: TELEPHONE HACKING

Limit of liability: USD250,000 each and every claim

Deductible: USD25,000 each and every claim

### SECTION G: PUSH PAYMENT FRAUD

Limit of liability: USD50,000 each and every claim

Deductible: USD25,000 each and every claim

### SECTION H: UNAUTHORIZED USE OF COMPUTER RESOURCES

Limit of liability: USD250,000 each and every claim

Deductible: USD25,000 each and every claim



### INSURING CLAUSE 3: SYSTEM DAMAGE AND BUSINESS INTERRUPTION

#### SECTION A: SYSTEM DAMAGE AND RECTIFICATION COSTS

Limit of liability: USD1,000,000 each and every claim

Deductible: USD25,000 each and every claim

#### SECTION B: INCOME LOSS AND EXTRA EXPENSE

Limit of liability: USD1,000,000 each and every claim, sub-limited to USD1,000,000 in respect of **system failure**

Deductible: USD25,000 each and every claim

#### SECTION C: ADDITIONAL EXTRA EXPENSE

Limit of liability: USD100,000 each and every claim

Deductible: USD25,000 each and every claim

#### SECTION D: DEPENDENT BUSINESS INTERRUPTION

Limit of liability: USD1,000,000 each and every claim, sub-limited to USD1,000,000 in respect of **system failure**

Deductible: USD25,000 each and every claim

#### SECTION E: CONSEQUENTIAL REPUTATIONAL HARM

Limit of liability: USD1,000,000 each and every claim

Deductible: USD25,000 each and every claim

#### SECTION F: CLAIM PREPARATION COSTS

Limit of liability: USD25,000 each and every claim

Deductible: USD0 each and every claim

#### SECTION G: HARDWARE REPLACEMENT COSTS

Limit of liability: USD1,000,000 each and every claim

Deductible: USD25,000 each and every claim



## THE FOLLOWING INSURING CLAUSES ARE SUBJECT TO AN AGGREGATE LIMIT

### INSURING CLAUSE 4: NETWORK SECURITY & PRIVACY LIABILITY

#### SECTION A: NETWORK SECURITY LIABILITY

Aggregate limit of liability:	USD1,000,000	in the aggregate, including <b>costs and expenses</b>
Deductible:	USD25,000	each and every claim, including <b>costs and expenses</b>

#### SECTION B: PRIVACY LIABILITY

Aggregate limit of liability:	USD1,000,000	in the aggregate, including <b>costs and expenses</b>
Deductible:	USD25,000	each and every claim, including <b>costs and expenses</b>

#### SECTION C: MANAGEMENT LIABILITY

Aggregate limit of liability:	USD1,000,000	in the aggregate, including <b>costs and expenses</b>
Deductible:	USD25,000	each and every claim, including <b>costs and expenses</b>

#### SECTION D: REGULATORY FINES

Aggregate limit of liability:	USD1,000,000	in the aggregate, including <b>costs and expenses</b>
Deductible:	USD25,000	each and every claim, including <b>costs and expenses</b>

#### SECTION E: PCI FINES, PENALTIES AND ASSESSMENTS

Aggregate limit of liability:	USD1,000,000	in the aggregate, including <b>costs and expenses</b>
Deductible:	USD25,000	each and every claim, including <b>costs and expenses</b>

### INSURING CLAUSE 5: MEDIA LIABILITY

#### SECTION A: DEFAMATION

Aggregate limit of liability:	USD1,000,000	in the aggregate, including <b>costs and expenses</b>
Deductible:	USD25,000	each and every claim, including <b>costs and expenses</b>

#### SECTION B: INTELLECTUAL PROPERTY RIGHTS INFRINGEMENT

Aggregate limit of liability:	USD1,000,000	in the aggregate, including <b>costs and expenses</b>
Deductible:	USD25,000	each and every claim, including <b>costs and expenses</b>

### INSURING CLAUSE 6: TECHNOLOGY ERRORS AND OMISSIONS

NO COVER GIVEN



## INSURING CLAUSE 7: COURT ATTENDANCE COSTS

Aggregate limit of liability: USD100,000 in the aggregate

Deductible: USD0 each and every claim





## OUR REGULATORY STATUS

CFC Underwriting Limited is authorised and regulated by the United Kingdom Financial Conduct Authority (FCA). CFC Underwriting Limited's Firm Reference Number at the FCA is 312848. These details may be checked by visiting the Financial Conduct Authority website at <https://register.fca.org.uk/>. Alternatively, the Financial Conduct Authority may be contacted on +44 (0)20 7066 1000.

We are covered by the Financial Services Compensation Scheme (FSCS). You may be entitled to compensation from the scheme if we cannot meet our obligations to you in respect of insurance policies that we have underwritten on behalf of insurers. This depends on the type of business and the circumstances of the claim. In respect of general insurance business the FSCS will cover 90% of the claim, without any upper limit and for compulsory classes of insurance, the FSCS will cover 100% of the claim, without any upper limit. Further information about compensation scheme arrangements is available from the FSCS.

## HOW TO COMPLAIN - USA

We intend to provide an excellent service to you. However, we recognize that there may be occasions when you feel that this has not been achieved. If you are unhappy with any aspect of the service that you receive from us, please contact your insurance broker in the first instance, stating the nature of your complaint, the certificate and/or claim number.

Alternatively, you can contact us directly at [complaints@cfc.com](mailto:complaints@cfc.com) or please write to:

Chief Executive Officer  
CFC Underwriting Limited  
85 Gracechurch Street  
London EC3V 0AA  
United Kingdom

If you remain dissatisfied after we have considered your complaint and provided our response, you may have the right to refer your complaint to the Department of Insurance in your State for review.

**You will be provided with further information about your complaint escalation rights to the Department of Insurance in your State by us on receipt of your complaint.**

**The existence of this complaints procedure does not affect your right to commence a legal action or an alternative dispute resolution proceeding in accordance with your contractual rights.**



## DATA PROTECTION NOTICE

We collect and use relevant information about you to provide you with your insurance cover or the insurance cover that benefits you and to meet our legal obligations. Where you provide us or your agent or broker with details about other people, you must provide this notice to them.

The information we collect and use includes details such as your name, address and contact details and any other information that we collect about you in connection with the insurance cover from which you benefit. This information may include more sensitive details such as information about your health and any criminal convictions you may have.

In certain circumstances, we may need your consent to process certain categories of information about you (including sensitive details such as information about your health and any criminal convictions you may have). Where we need your consent, we will ask you for it separately. You do not have to give your consent and you may withdraw your consent at any time. However, if you do not give your consent, or you withdraw your consent, this may affect our ability to provide the insurance cover from which you benefit and may prevent us from providing cover for you or handling your claims.

The way insurance works means that your information may be shared with, and used by, a number of third parties in the insurance sector for example, insurers, agents or brokers, reinsurers, loss adjusters, sub-contractors, regulators, law enforcement agencies, fraud and crime prevention and detection agencies and compulsory insurance databases. We will only disclose your personal information in connection with the insurance cover that we provide and to the extent required or permitted by law.

We will process individual insured's details, as well as any other personal information you provide to us in respect of your insurance cover, in accordance with our privacy notice and applicable data protection laws.

To enable us to use individual insured's details in accordance with applicable data protection laws, we need you to provide those individuals with certain information about how we will use their details in connection with your insurance cover.

You agree to provide to each individual insured this notice, on or before the date that the individual becomes an individual insured under your insurance cover or, if earlier, the date that you first provide information about the individual to us.

We are committed to using only the personal information we need to provide you with your insurance cover. To help us achieve this, you should only provide to us information about individual insureds that we ask for from time to time.

You have rights in relation to the information we hold about you, including the right to access your information. If you wish to exercise your rights, discuss how we use your information or request a copy of our full privacy notice, please contact us directly at [dataprotection@cfc.com](mailto:dataprotection@cfc.com).

For more information about how we use your personal information please see our full privacy notice, which is available online on our website at:

<http://www.cfc.com/privacy>



## SUBJECTIVITY CONDITION CLAUSE

ATTACHING TO POLICY ESM0039902151  
NUMBER:  
THE INSURED: City of Rome  
WITH EFFECT FROM: 08 Mar 2024

It is understood and agreed that the following **CONDITION** is added to this Policy:

### Subjectivities

The cover provided by this Policy is conditional upon **you** providing **us** with some additional information as detailed in the table below together with the dates by which **we** must have received this information.

Additional information:	Due date:
Satisfactory confirmation that you have downloaded & registered our incident response mobile app, details of which can be found with your policy documents.	07 Apr 2024
Signed version of the application form submitted, dated within 30 days of the required inception date.	07 Apr 2024

Upon receiving this additional information **we** reserve the right to change the terms or conditions of this Policy, including amending the premium, or to issue notice of cancellation in accordance with the "Cancellation" **CONDITION**.

If **we** change the terms or conditions of this Policy, this constitutes a counteroffer which **you** may accept or decline. If **you** decline **our** counteroffer **we** will issue notice of cancellation in accordance with the "Cancellation" **CONDITION**.

If the additional information is not received by the due dates shown in the table above **we** may, at **your** request, consider extending the due dates or **we** may issue a notice of cancellation in accordance with the "Cancellation" **CONDITION**.

**SUBJECT OTHERWISE TO THE TERMS AND CONDITIONS OF THE POLICY**



## RT SPECIAL AMENDATORY CLAUSE

ATTACHING TO POLICY ESM0039902151

NUMBER:

THE INSURED: City of Rome

WITH EFFECT FROM: 08 Mar 2024

It is understood and agreed that the following amendments are made to the Declarations page:

1. The following **INSURING CLAUSE** is added:

**INSURING CLAUSE: CRIMINAL REWARD COVERAGE**

Aggregate limit of liability: USD50,000 in the aggregate

Deductible: USD25,000 each and every claim

2. The following **SECTIONS** are added to **INSURING CLAUSE 4**:

**SECTION: CONTINGENT BODILY INJURY**

Aggregate limit of liability: USD250,000 in the aggregate, including **costs and expenses**

Deductible: USD25,000 each and every claim including **costs and expenses**

**SECTION: CORRECTIVE ACTION PLAN COSTS**

Aggregate limit of liability: USD50,000 in the aggregate

Deductible: USD25,000 each and every claim

3. The amount stated as the limit of liability for **INSURING CLAUSE 1 (SECTION G)** is deleted in its entirety and replaced with the following:

USD75,000

It is further understood and agreed that the following amendments are made to this Policy:

1. The following **INSURING CLAUSE** is added:

**INSURING CLAUSE: CRIMINAL REWARD COVERAGE**

**We** agree to reimburse **you** for any reasonable sums necessarily incurred with **our** prior written agreement to pay any person or organization, other than:

- a. any external or internal auditor of the **company**; or
- b. any individual or organization who manages or supervises the individuals stated in a. above;



for information not otherwise available which directly results in the arrest and conviction of any person or organization who is committing or has committed any illegal act directly relating to a claim covered under **INSURING CLAUSES 1, 2, 3 or 4**.

2. **INSURING CLAUSE 1 (SECTION D only)** is deleted in its entirety and replaced with the following:

#### **SECTION D: CRISIS MANAGEMENT COSTS**

**We** agree to pay on **your** behalf any reasonable sums necessarily incurred by **you**, or on **your** behalf, as a direct result of a **cyber event** or **system failure** first discovered by **you** during the **period of the policy** to:

- a. engage with a crisis communications consultant to obtain specific advice in direct relation to the **cyber event** or **system failure**;
  - b. coordinate media relations in response to the **cyber event** or **system failure**;
  - c. receive training for relevant spokespeople with respect to media communications in direct relation to the **cyber event** or **system failure**; and
  - d. formulate a crisis communications plan in order to reduce damage to **your** brand and reputation as a direct result of the **cyber event** or **system failure**.
3. **INSURING CLAUSE 2 (SECTION D only)** is deleted in entirety and replaced with the following:

#### **SECTION D: EXTORTION**

**We** agree to reimburse **you** for any ransom, including costs associated with securing funds or digital currencies, paid by **you**, or on **your** behalf, in response to an extortion demand first discovered by **you** during the **period of the policy** as a direct result of any threat to:

- a. introduce malware, or the actual introduction of malware, including Ransomware, into **your computer systems**;
  - b. prevent or not return access to **your computer systems** or data or any **third party** systems hosting **your** applications or data;
  - c. reveal **your** confidential information or confidential information entrusted to **you**; or
  - d. damage **your** brand or reputation by posting false or misleading comments about **you** on social media sites.
4. The last sentence of **INSURING CLAUSE 3 (SECTION F only)** is deleted in its entirety and replaced with the following:



**We** will only pay these costs where they are incurred with an independent expert appointed by the **cyber incident manager** that is agreed between **you** and **us**.

5. The following **SECTIONS** are added to **INSURING CLAUSE 4**:

**SECTION: CONTINGENT BODILY INJURY**

**We** agree to pay on **your** behalf all sums which **you** become legally obliged to pay (including liability for claimants' costs and expenses) as a result of any **claim** arising out of any **bodily injury** as a direct result of a **cyber event** affecting **your computer systems** first discovered by **you** during the **period of the policy**.

**We** will also pay **costs and expenses** on **your** behalf.

However, **we** will not make any payment under this Section for which **you** are entitled to indemnity under any other insurance, except for any additional sum which is payable over and above the other insurance.

**SECTION: CORRECTIVE ACTION PLAN COSTS**

**We** agree to pay on **your** behalf sums reasonably incurred with the **cyber incident manager** in order to meet any of the following requirements specified within a corrective action plan agreed by **you** with the Office for Civil Rights as the direct result of a **cyber event** first discovered by **you** during the **period of the policy**:

- a. the development of a Health Insurance Portability and Accountability Act (HIPAA) of 1996 compliant information security document set;
  - b. the completion of a HIPAA compliance audit;
  - c. the costs associated with completing an information security risk assessment; or
  - d. the costs associated with the implementation of a security awareness training program.
7. The following paragraph is added to **INSURING CLAUSE 4 (SECTION D)** only):

The insurability of the fines and penalties will be determined in accordance with the most favorable State law.

8. The following **DEFINITION** is added:

**"Bodily injury"** means

death, bodily injury, mental injury, illness or disease.

9. The **DEFINITION** of **"Employee"** is deleted in its entirety and replaced with the following:

**"Employee"** means



any employee of the **company**, any intern working for the **company**, any volunteer working for the **company** and any individual working for the **company** as an independent contractor.

"Employee" does not mean any **senior executive officer**.

10. Part b. of the **DEFINITION** of "**Costs and expenses**" is deleted in its entirety and replaced with the following:

b. any pre or post judgement interest; and

11. The **DEFINITION** of "**Senior executive officer**" is deleted in its entirety and replaced with the following:

"**Senior executive officer**" means

the chief executive officer, chief finance officer, chief information officer, chief information security officer, general counsel and chief risk manager of the **company**, including any individual performing the functional equivalents of these positions in the **company**.

12. The **DEFINITION** of "**Subsidiary**" is deleted in its entirety and replaced with the following:

"**Subsidiary**" means

any entity which the **company** has majority ownership of, meaning more than 50% ownership, on or before the **inception date**.

13. Where "10%" is stated in the "Associated companies" **EXCLUSION**, it is deleted in its entirety and replaced with "25%".

14. The "Bodily injury and property damage" **EXCLUSION** is deleted in its entirety and replaced with the following:

**Bodily injury and property damage**

arising directly or indirectly out of:

- a. **bodily injury**; or
- b. tangible property damage.

However, part a. of this Exclusion will not apply to:

- a. **INSURING CLAUSES 4 (SECTIONS A, B and C only) and 5** for any **claim** as a direct result of mental injury or emotional distress; and
- b. **INSURING CLAUSE 4 (SECTION F only)**.

15. The following paragraph is added to the "Patent infringement" **EXCLUSION**:

However, this Exclusion will not apply to any patent infringement arising directly from any unauthorized access to or any electronic attack on **your computer systems**.

16. The "Uninsurable fines" **EXCLUSION** is deleted in its entirety and

replaced with the following:

**Uninsurable fines**

for:

- a. fines, penalties, civil or criminal sanctions, unless insurable by law; or
- b. multiple, punitive or exemplary damages, unless insurable by law in any applicable venue that most favors coverage for the multiple, punitive or exemplary damages.

17. The following paragraph is added to the "Willful or dishonest acts of senior executive officers" **EXCLUSION**:

However, no willful, criminal, malicious or dishonest act, error or omission committed by a **senior executive officer** will be imputed to any other **senior executive officer** for the purpose of determining the applicability of this Exclusion.

18. In the "What you must do if an incident takes place" **CONDITION**, "**senior executive officer**" is deleted in its entirety and replaced with "board member or C-level executive".

19. Part b. of the "What you must do if an incident takes place" **CONDITION** is deleted in its entirety and replaced with the following:

- b. in respect of **INSURING CLAUSE 2 (SECTIONS A, B and C only)**, report the incident to the appropriate law enforcement authorities if necessary; and

20. The last paragraph of the "Agreement to pay claims (duty to defend)" **CONDITION** is deleted in its entirety and replaced with the following:

**We** will not settle any **claim** without **your** consent. If **you** refuse to provide **your** consent to a settlement recommended by **us** and elect to continue legal proceedings in connection with the **claim**, our liability for the **claim** will not exceed the amount for which the **claim** could have been settled, plus:

- a. 90% of any **costs and expenses** incurred after the date the settlement was recommended by **us**; and
- b. 90% of that part of any sum **you** become legally obliged to pay in excess of the settlement amount recommended by **us**.

**We** will have no responsibility to pay the remaining 10% of the **costs and expenses** and that part of any sum **you** become legally obliged to pay as stated in a. and b. above.

21. The first paragraph of the "Cancellation" **CONDITION** is deleted in its entirety and replaced with the following:

This Policy may be canceled:





- a. at any time upon written request by **you**; or
  - b. with 60 days written notice by **us** in the event that any amount due to **us** by **you** remains unpaid more than 60 days beyond the **inception date**.
22. Where "30 days" appears in the "Optional extended reporting" **CONDITION**, it is deleted in its entirety and replaced with "60 days".
  23. Where "20%" appears in the "Mergers and acquisitions" **CONDITION**, it is deleted in its entirety and replaced with "25%".
  24. Where "45 days" appears in the "Mergers and acquisitions" **CONDITION**, it is deleted in its entirety and replaced with "60 days".

**SUBJECT OTHERWISE TO THE TERMS AND CONDITIONS OF THE  
POLICY**



## POLICYHOLDER DISCLOSURE NOTICE OF TERRORISM INSURANCE COVERAGE

ATTACHING TO POLICY ESM0039902151

NUMBER:

THE INSURED: City of Rome

WITH EFFECT FROM: 08 Mar 2024

Coverage for acts of terrorism is included in your policy. You are hereby notified that under the Terrorism Risk Insurance Act, as amended in 2015, the definition of act of terrorism has changed. As defined in Section 102(1) of the Act: The term “act of terrorism” means any act or acts that are certified by the Secretary of the Treasury—in consultation with the Secretary of Homeland Security, 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 the case of certain air carriers or vessels or the premises of a United States mission; and to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

Under your coverage, any losses resulting from certified acts of terrorism may be partially reimbursed by the United States Government under a formula established by the Terrorism Risk Insurance Act, as amended. However, your policy may contain other exclusions which might affect your coverage, such as an exclusion for nuclear events. Under the formula, the United States Government generally reimburses 85% through 2015; 84% beginning on January 1, 2016; 83% beginning on January 1, 2017; 82% beginning on January 1, 2018; 81% beginning on January 1, 2019 and 80% beginning on January 1, 2020, of covered terrorism losses exceeding the statutorily established deductible paid by the insurance company providing the coverage.

The Terrorism Risk Insurance Act, as amended, contains a \$100 billion cap that limits U.S. Government reimbursement as well as insurers' liability for losses resulting from certified acts of terrorism when the amount of such losses exceeds \$100 billion in any one calendar year. If the aggregate insured losses for all insurers exceed \$100 billion, your coverage may be reduced.

The portion of your annual premium that is attributable to coverage for acts of terrorism is USD0.00 and does not include any charges for the portion of losses covered by the United States government under the Act.

**SUBJECT OTHERWISE TO THE TERMS AND CONDITIONS OF THE POLICY**