

## CAP ON LOSSES FROM ACTS OF TERRORISM PURSUANT TO THE FEDERAL TERRORISM RISK INSURANCE ACT OF 2002

This endorsement modifies insurance provided under the following:

**BUSINESS AUTO COVERAGE FORM  
GARAGE COVERAGE FORM  
TRUCKERS COVERAGE FORM  
TEXAS AUTOMOBILE RENTAL LIABILITY POLICY  
TEXAS AUTOMOBILE RENTAL LIABILITY EXCESS POLICY  
NON-RESIDENT TEXAS AUTO POLICY  
SINGLE INTEREST FORMS**

This endorsement changes the policy effective on the inception date of the policy unless another date is indicated below:

Endorsement Effective	Policy Number
Named Insured	

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

With respect to any "act of terrorism" (one or more), we will not pay any amounts for which we are not responsible under the terms of the federal Terrorism Risk Insurance Act of 2002 (the Act) (including subsequent acts of Congress pursuant to the Act) due to the application of any clause which results in a cap on our liability for payments for terrorism losses.

- A. Under the Act, an "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:
1. to be an act of terrorism;
  2. to be a violent act or an act that is dangerous to:
    - a. human life;
    - b. property; or
    - c. infrastructure;
  3. to have resulted in damage within the United States, or outside of the United States in the case of:
    - a. an air carrier (as defined in 49 U.S.C. § 40102) or a United States flag vessel (or vessel based principally in the United States, on which United States income tax is paid and whose insurance coverage is subject to regulation in the United States), regardless of where the loss occurs; or
    - b. the premises of a United States mission; and
  4. 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 or affect the conduct of the United States Government by coercion.
- B. Under the Act, no act will be certified as an "act of terrorism" if:
1. the act is committed as part of the course of a war declared by the Congress; or
  2. property and casualty insurance losses resulting from the act, in the aggregate, do not exceed \$5,000,000.
- C. A loss resulting from an act that is not certified as an "act of terrorism" is a covered loss unless excluded elsewhere in the policy.
- D. Any certification of, or determination not to certify, an act as an "act of terrorism" under the Act will be final, and will not be subject to judicial review.