

**APPLICANT OR RENEWING POLICYHOLDER
DISCLOSURE NOTICE OF
TERRORISM INSURANCE COVERAGE**

You should know that under the Terrorism Risk Insurance Act as amended on December 26, 2007, OMIC must make terrorism coverage available in the policies we offer. The coverage available under our policies for damages arising out of certified acts of terrorism is limited by the terms, conditions, exclusions, limits, other provisions of the coverage quote or renewal application/questionnaire to which this offer is attached and by the policy, any endorsements to the policy and generally applicable rules of law. The definition of an act of terrorism has been changed pursuant to the Terrorism Risk Insurance Program Reauthorization Act of 2007 to mean 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 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. You should know that any damages otherwise insured under your policy caused by certified acts of terrorism may be partially reimbursed by the United States under a formula established by federal law. Under this formula, the United States generally reimburses 85% 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: \$ 0 and does not include any charges for the portion of loss that may be covered by the Federal Government under the Act.

The Terrorism Risk Insurance Act as amended on December 26, 2007, and this Notice only affect coverage in our policies for otherwise insured damages relating to certified acts of terrorism. All other terms and conditions of your policy, including applicable limits and deductibles, are not affected and still apply to your coverage under our policies.

By: Ophthalmic Mutual Insurance Company (A Risk Retention Group)