

15-0336-00
FLATLANDS JESSUP INSURANCE GROUP LLC
1540 W 5TH ST
WASHINGTON NC 27889-4108

Auto-Owners **INSURANCE**

LIFE • HOME • CAR • BUSINESS

PO BOX 30660 • LANSING, MI 48909-8160

Agency phone: 252.798.5561

06-12-2025

Owners Insurance Company

REGGIE SPAIN HOMES LLC
C/O REGGIE SPAIN CONSTRUCTION LLC
609 COUNTRY CLUB DR STE D
GREENVILLE NC 27834-6210

You can view your policy or change your paperless options at any time online at www.auto-owners.com .
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RE: Policy 216015-35388319-25

Thank you for selecting Auto-Owners Insurance Group to service your insurance needs!

Auto-Owners and its affiliate companies offer a full complement of policies, each of which has its own eligibility requirements, coverages, and rates. Please take this opportunity to review your insurance needs with your Auto-Owners agent **252.798.5561**, and discuss which company and program might be appropriate for you. After talking with your agent, if there are any unanswered questions, please contact us at 517.323.1200.

Auto-Owners Insurance Company was formed in 1916. Our A+ (Superior) rating by AM Best signifies that we have the financial strength to provide the insurance protection you need. The Auto-Owners Insurance Group is comprised of five property and casualty companies and a life insurance company.

Serving Our Policyholders and Agents Since 1916

NOTICE OF PRIVACY PRACTICES

What We Do To Protect Your Privacy

At Auto-Owners Insurance Group*, we value your business and we want to retain your trust. In the course of providing products and services, we may obtain nonpublic personal information about you. We assure you that such information is used only for the purpose of providing our products and services to you.

Protecting Confidentiality

Our agents and Company associates may have access to nonpublic personal information only for the purpose of providing our products or services to you. We maintain physical, electronic and procedural safeguards against unauthorized use of your nonpublic personal information.

Information We Obtain

To assist in underwriting and servicing your policy, we may obtain nonpublic personal information about you. For example, we routinely obtain information through applications, forms related to our products or services, from visiting www.auto-owners.com, and your transactions with us. We may obtain such information from our affiliates, independent insurance agents, governmental agencies, third parties, or consumer reporting agencies.

The type of information that we collect depends on the product or service requested, but may include your name, address, contact information, social security number, credit history, claims history, information to properly investigate and resolve any claims, or billing information. We may obtain your medical history with your permission. The nature and extent of the information we obtain varies based on the nature of the products and services you receive.

The Internet and Your Information

If you would like to learn about how we gather and protect your information over the Internet, please see our online privacy statement at www.auto-owners.com/privacy.

Generally, Auto-Owners may use cookies, analytics, and other technologies to help us provide users with better service and a more customized web experience. Our business partners may use tracking services, analytics, and other technologies to monitor visits to www.auto-owners.com. The website may use web beacons in addition to cookies. You may choose to not accept cookies by changing the settings in your web browser.

Information obtained on our websites may include IP address, browser and platform types, domain names, access times, referral data, and your activity while using our site; who should use our web site; the security of information over the Internet; and links and co-branded sites.

Limited Disclosure

Auto-Owners Insurance Group companies do not disclose any nonpublic personal information about their customers or former customers except as permitted by law. We do not sell your personal information to anyone. We do not offer an opportunity for you to prevent or "opt out of" information sharing since we only share personal information with others as allowed by law.

When sharing information with third parties to help us conduct our business, we require them to protect your personal information. We do not permit them to use or share your personal information for any purpose other than the work they are doing on our behalf or as required by law.

The types of information disclosed may include personal information we collect as necessary to service your policy or account, investigate and pay claims, comply with state and federal regulatory requests or demands, and process other transactions that you request. Third parties that receive disclosures may include your independent agent, regulators, reinsurance companies, fraud prevention agencies, or insurance adjusters.

How Long We Retain Your Information

We generally retain your information as long as reasonably necessary to provide you services or to comply with applicable law and in accordance with our document retention policy. We may retain copies of information about you and any transactions or services you have used for a period of time that is consistent with applicable law, applicable statute of limitations or as we believe is reasonably necessary to comply with applicable law, regulation, legal process or governmental request, to detect or prevent fraud, to collect fees owed, to resolve disputes, to address problems with our services, to assist with investigations, to enforce other applicable agreements or policies or to take any other actions consistent with applicable law.

In some circumstances we may anonymize your personal information (so that it can no longer be associated with you) for research or statistical purposes, in which case we may use this information indefinitely without further notice to you. This allows the specific information collected (name, email, address, phone number, etc.) to become anonymous, but allows Auto-Owners to keep the transaction or engagement data.

Changes to the Privacy Policy

We will provide a notice of our privacy policy as required by law. This policy may change from time to time, but you can always review our current policy by visiting our website at www.auto-owners.com/privacy or by contacting us.

Contact Us

Auto-Owners Insurance Company
Phone: 844-359-4595 (toll free)
Email: privacyrequest@aoins.com

*Auto-Owners Insurance Group includes, Auto-Owners Insurance Company, Auto-Owners Life Insurance Company, Home-Owners Insurance Company, Owners Insurance Company, Property-Owners Insurance Company and Southern-Owners Insurance Company.

NOTICE TO POLICYHOLDER CONTRACTORS EQUIPMENT REPLACEMENT COST

Dear Policyholder,

Your Contractors Equipment form provides Replacement Cost coverage on scheduled equipment until the age of the item exceeds 5 years from the original date of manufacture.

Effective with this renewal, Replacement Cost coverage will be removed and Actual Cash Value coverage will be added for the item(s) identified by asterisks (**) on the Declarations page. The limit of insurance for the identified contractors equipment has been reduced by 25%, which reflects the change in valuation from Replacement Cost coverage to Actual Cash Value coverage.

Please contact your Auto-Owners agent if you have any questions concerning this form, the limits shown on the Declarations, or if you would like to adjust the limit of insurance shown on the Declarations.

We appreciate your business.

This notice is for informational purposes only. **NO COVERAGE IS PROVIDED BY THIS NOTICE AND IT MUST NOT BE CONSTRUED TO REPLACE OR MODIFY ANY PROVISIONS OF YOUR POLICY OR ENDORSEMENTS. YOUR POLICY CONTAINS THE SPECIFIC TERMS, LIMITS AND CONDITIONS OF COVERAGE, AND SUPERCEDES THIS NOTICE.**

NOTIFICATION OF POSSIBLE CHANGES IN COVERAGE FOR TERRORISM

Dear Policyholder:

The Terrorism Risk Insurance Act (including ensuing Congressional actions pursuant to the Act) will expire on December 31, 2027 unless the Federal government extends the Act. What this means to you is the following:

1. Subject to policy terms and conditions, the enclosed policy will provide insurance coverage for certified acts of terrorism as defined in the Act only until December 31, 2027.
2. A conditional endorsement entitled, Conditional Exclusion Of Terrorism Involving Nuclear, Biological Or Chemical Terrorism (Relating To Disposition Of Federal Terrorism Risk Insurance Act) is enclosed. This conditional endorsement will only apply if the Act is not extended or if the Act is revised to increase statutory deductibles, decrease the federal government's share in potential losses above the statutory deductibles, change the levels, terms or conditions of coverage and we are no longer required to make terrorism coverage available and elect not to do so. It will not apply if the Act is simply extended.
3. The conditional endorsement will provide coverage for an incident of terrorism pursuant to the terms and conditions of the policy only if the incident does not involve nuclear, biological or chemical material.
4. A premium charge for the conditional endorsement will be applied effective January 1, 2028. The premium will be pro rated for the remainder of the policy term and is one-half of the current premium charge appearing in the Declarations for TERRORISM - CERTIFIED ACTS. However, it will only be made if the Terrorism Risk Insurance Act (including ensuing Congressional actions pursuant to the Act) is not extend. Revised Declarations will be mailed to you after January 1, 2028.
5. If the Act is extended without any revision, the enclosed policy will continue to provide coverage for certified acts of terrorism. The conditional endorsement will not be activated and the changes in coverage or premium referenced above will not apply.
6. If the Act is extended with revisions or is replaced, and we are required or elect to continue to offer coverage for certified acts of terrorism, we may amend this policy in accordance with the provisions of the revised Act or its replacement.

This notice is for informational purposes only.

If you have any questions concerning your policy or this notice, please contact your Auto-Owners agency.

NOTICE OF CHANGE IN POLICY TERMS CYBER INCIDENT EXCLUSION

NOTICE OF REDUCTION IN COVERAGE

Dear Policyholder,

The Inland Marine coverage provided by this policy is amended by form 60233 (8-22) CYBER INCIDENT EXCLUSION. This endorsement excludes loss or damage caused directly or indirectly by a cyber incident. This exclusion is a clarification on intended coverage and may result in a reduction in coverage. There is no premium impact as a result of this change.

This notice is for informational purposes only. Your policy contains the specific terms and conditions of coverage.

Please review the endorsement and your policy carefully. If you have any questions regarding your policy or this notice, please contact your Auto-Owners Insurance agent.

INSURANCE COMPANY
6101 ANACAPRI BLVD., LANSING, MI 48917-3999

AGENCY
FLATLANDS JESSUP INSURANCE GROUP LLC
15-0336-00 MA MKT TERR 092 252-798-5561

INSURED
REGGIE SPAIN HOMES LLC
C/O REGGIE SPAIN CONSTRUCTION LLC

ADDRESS
609 COUNTRY CLUB DR STE D
GREENVILLE NC 27834-6210

TAILORED PROTECTION POLICY DECLARATIONS

Renewal Effective 08-03-2025

POLICY NUMBER 216015-35388319-25

Company Use 35-60-NC-2108

Company Bill

Policy Term

12:01 a.m. to 12:01 a.m.

08-03-2025 to 08-03-2026

In consideration of payment of the premium shown below, this policy is renewed. Please attach this Declarations and attachments to your policy. If you have any questions, please consult with your agent.

55039 (11-87)

COMMON POLICY INFORMATION

Business Description: Construction

Entity: Limited Liab Corp

THIS POLICY CONSISTS OF THE FOLLOWING COVERAGE PART(S):	PREMIUM
COMMERCIAL INLAND MARINE COVERAGE	\$4,661.00
TOTAL	\$4,661.00
TOTAL POLICY PREMIUM IF ON FULL PAY PLAN BY 08-03-2025	\$4,201.00
THIS PREMIUM MAY BE SUBJECT TO ADJUSTMENT.	
The Paid in Full Discount does not apply to fixed fees, statutory charges or minimum premiums.	

Forms that apply to all coverage part(s) shown above (except garage liability, dealer's blanket, commercial automobile, if applicable):
55003 (07-12) 59390 (11-20)

A 05% Cumulative Multi-Policy Discount applies. Supporting policies are marked with an (X):
Comm Umb() Comm Auto(X) WC() Life() Personal() Farm().

A merit rating plan factor of 0.90 applies.

Countersigned By: _____

Owners Ins. Co.

Issued 06-12-2025

AGENCY FLATLANDS JESSUP INSURANCE GROUP LLC
15-0336-00 MA MKT TERR 092

Company **POLICY NUMBER 216015-35388319-25**
Bill 35-60-NC-2108

INSURED REGGIE SPAIN HOMES LLC

Term 08-03-2025 to 08-03-2026

16198 (07-87)

COMMERCIAL INLAND MARINE COVERAGE**COVERAGES PROVIDED**

Insurance applies to covered property for which a limit of insurance is shown.

Forms that apply to Inland Marine:

59350 (01-15) 16381 (07-08) 16080 (07-13) 16203 (06-88) 59325 (12-19)
16859 (07-19) 16197 (09-98) 16204 (03-23) 60233 (08-22) 59390 (11-20)

LOCATION 0001 - BUILDING 0001**Location:** 609 Country Club Dr Ste D, Greenville, NC 27834-6210**Rating Information for CONTRACTORS EQUIPMENT**

Territory: 074

County: Pitt

Rate Class: 2

COVERAGE	COINSURANCE	DEDUCTIBLE	LIMIT	RATE	PREMIUM
CONTRACTORS EQUIPMENT CONTRACTOR EQUIPMENT - SPECIAL FORM					
1. 2017 TRACTOR Mx54000Hst/Kubota Serial #: 10098 Valuation: Changed from Replacement Cost to Actual Cash Value effective 08-03-2023		\$1,000	\$24,000	Variable	\$160.00
2. FORKLIFT 6042/Skytrak Serial #: 0160046137 Valuation: Actual Cash Value		\$1,000	\$31,345	Variable	\$209.00
3. 2019 60" COMMERCIAL ZERO TURN Zero Turn/John Deere Serial #: 99999999 ** Valuation: Changed from Replacement Cost to Actual Cash Value effective 08-03-2025		\$1,000	\$7,500	Variable	\$50.00
4. 2020 JOHN DEERE 50G MINI Excavator Serial #: 1FF050GXAKH290977 Secured Interested Parties: See Attached Schedule Valuation: Actual Cash Value		\$1,000	\$55,510	Variable	\$370.00

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Company POLICY NUMBER 216015-35388319-25
Bill 35-60-NC-2108

INSURED REGGIE SPAIN HOMES LLC

Term 08-03-2025 to 08-03-2026

COVERAGE	COINSURANCE	DEDUCTIBLE	LIMIT	RATE	PREMIUM
5. 2020 JOHN DEERE 333G COMPACT Track Loader W/ Cab Serial #: 1T0333GMAMF405782 Secured Interested Parties: See Attached Schedule Valuation: Actual Cash Value		\$1,000	\$78,000	Variable	\$520.00
6. 2023 HYUNDAI EXCAVATOR Model # Hx220AI Serial #: HHKHK607CE0000809 Secured Interested Parties: See Attached Schedule Valuation: Actual Cash Value		\$1,000	\$220,000	Variable	\$1,467.00
7. 2024 JOHN DEERE 650P Serial #: 1T0650PAPPLX02934 Secured Interested Parties: See Attached Schedule Valuation: Replacement Cost coverage until 08-03-2030		\$1,000	\$200,000	Variable	\$1,334.00
8. 2024 NEW HOLLAND WM75 TRACTOR Serial #: EIRT4S75TRAX00426 Secured Interested Parties: See Attached Schedule Valuation: Replacement Cost coverage until 08-03-2030		\$1,000	\$64,000	Variable	\$427.00
9. 2023 BH2310 BUSH HOG Serial #: 1HHXR1230110011 Secured Interested Parties: See Attached Schedule Valuation: Replacement Cost coverage until 08-03-2029		\$1,000	\$11,700	Variable	\$78.00
TOTAL FOR THIS COVERAGE:					\$4,615.00

Forms that apply to this location:

16241 (05-94) 16071 (07-09) 16731 (12-17)

COMMERCIAL INLAND MARINE COVERAGE - LOCATION 0001 SUMMARY	PREMIUM
TERRORISM - CERTIFIED ACTS SEE FORM: 59350, 16381, 59390	\$46.00
LOCATION 0001	\$4,661.00

A single deductible applies per claim. If more than one item is involved in a claim, the single highest applicable deductible amount is used.

Owners Ins. Co.

Issued 06-12-2025

AGENCY FLATLANDS JESSUP INSURANCE GROUP LLC
15-0336-00 MA MKT TERR 092

Company
Bill

POLICY NUMBER 216015-35388319-25
35-60-NC-2108

INSURED REGGIE SPAIN HOMES LLC

Term 08-03-2025 to 08-03-2026

Secured Interested Parties and/or Additional Interested Parties**Applies to Contractor Equipment - Special Form**

Loc/Bldg(s):

0001/001 Item 0008

0001/001 Item 0009

CNH INDUSTRIAL CAPITAL AMERICA LLC

Po Box 1700

New Holland, PA 17557-0917

Interest: Loss Payable

Applies to Contractor Equipment - Special Form

Loc/Bldg(s):

0001/001 Item 0004

0001/001 Item 0005

PROVIDENCE BANK

Po Box 7727

Rocky Mount, NC 27804-0727

Loan: 100200686

Interest: Loss Payable

Applies to Contractor Equipment - Special Form

Loc/Bldg(s):

0001/001 Item 0006

WELLS FARGO EQUIPMENT FINANCE

INC. ITS SUCCESSORS AND ASSIGNS

Att: Insurance Department

Po Box 35702

Billings, MT 59105

Interest: Loss Payable

Applies to Contractor Equipment - Special Form

Loc/Bldg(s):

0001/001 Item 0007

JOHN DEERE FINANCIAL

Po Box 6600

Johnston, IA 50131-6600

Interest: Loss Payable

16859 (7-19)

ACTUAL CASH VALUE AND DEPRECIATION

Commercial Inland Marine

It is agreed:

Wherever it appears in this policy and any endorsement attached to this policy:

1. Actual cash value means the cost to repair or replace lost or damaged property with property of similar quality and features reduced by the amount of depreciation applicable to the lost or damaged property immediately prior to the loss.
2. Depreciation means a decrease in value because of age, wear, obsolescence or market value and includes:
 - a. The cost of materials, labor and services;

- b. Any applicable taxes; and
- c. Profit and overhead necessary to repair, replace or rebuild lost or damaged property.

The meaning of actual cash value and depreciation in this endorsement supersedes any provision in this policy and any endorsement attached to this policy to the contrary.

All other policy terms and conditions apply.

16859 (7-19)

Page 1 of 1

60233 (8-22)

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CYBER INCIDENT EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL INLAND MARINE COVERAGE PART

A. EXCLUSIONS is amended.

The following exclusion is added to the policy. We will not pay for loss or damage caused directly or indirectly by the following. Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss.

Cyber Incident

1. Unauthorized access to or use of any computer system, including "electronic data".
2. Malicious code, virus or any other harmful code that is directed at, enacted upon or introduced into any computer system, including "electronic data", and is designed to access, alter, corrupt, damage, delete, destroy, disrupt, encrypt, exploit, use or prevent or restrict access to or the use of any part of any computer system, including "electronic data", or otherwise disrupt its normal functioning or operation.
3. Denial of service attack which disrupts, prevents or restricts access to or use of any computer system, or otherwise disrupts its normal functioning or operation.

However, exclusions **A.1. - 3.** do not apply to:

- a. Loss or damage resulting in fire or explosion; or
- b. Vandalism.

B. DEFINITIONS is amended.

The following definition is added to **DEFINITIONS**.

"Electronic Data":

1. Means information, facts, images or sounds stored as or on, created or used on, or transmitted to or from computer software, including systems and applications software, on electronic storage devices including, but not limited to, hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.
2. Is not tangible property.
3. Does not include the insured's "electronic data" that is licensed, leased, rented or loaned to others.

All other policy terms and conditions apply.

16381 (7-08)

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CONDITIONAL EXCLUSION OF TERRORISM INVOLVING NUCLEAR, BIOLOGICAL OR CHEMICAL TERRORISM (RELATING TO DISPOSITION OF FEDERAL TERRORISM RISK INSURANCE ACT)

This endorsement modifies insurance provided under the following:

COMMERCIAL INLAND MARINE COVERAGE PART

A. Applicability Of This Endorsement

1. The provisions of this endorsement will apply if and when one of the following situations occurs:
 - a. The federal Terrorism Risk Insurance Program ("Program"), established by the Terrorism Risk Insurance Act of 2002 (including ensuing Congressional actions pursuant to the Act), terminates; or
 - b. The Program is renewed, extended or otherwise continued in effect:
 - (1) With revisions that increase insurers' statutory percentage deductible or decrease the federal government's statutory percentage share in potential terrorism losses above such deductible, or that results in a change in the level or terms or conditions of coverage; and
 - (2) We are not required by the Program to make terrorism coverage available to you and elect not to do so.
2. When this endorsement becomes applicable in accordance with the terms of A.1.a. or A.1.b., above, it supersedes any terrorism endorsement already endorsed to this policy that addresses "certified acts of terrorism".

3. If this endorsement does NOT become applicable, then any terrorism endorsement already endorsed to this policy, that addresses "certified acts of terrorism", will remain in effect. However, if the Program is renewed, extended or otherwise continued in effect with revisions that change the level or terms or conditions of coverage, and we are required to offer you the revised coverage or to provide the revised coverage to those who previously accepted coverage under the Program, then we will take the appropriate steps in response to the federal requirements.

- B.** The following definition is added and applies under this endorsement wherever the term terrorism is enclosed in quotation marks.
"Terrorism" means activities against persons, organizations or property of any nature:

1. That involve the following or preparation for the following:
 - a. Use or threat of force or violence; or
 - b. Commission or threat of a dangerous act; or
 - c. Commission or threat of an act that interferes with or disrupts an electronic, communication, information, or mechanical system; and
2. When one or both of the following applies:

- a. The effect is to intimidate or coerce a government or the civilian population or any segments thereof, or to disrupt any segment of the economy; or
- b. It appears that the intent is to intimidate or coerce a government or the civilian population, or to further political, ideological, religious, social or economic objectives or to express (or express opposition to) a philosophy or ideology.

C. The following exclusion is added:

Exclusion Of "Terrorism"

We will not pay for loss or damage caused directly or indirectly by "terrorism", including action in hindering or defending against an actual or expected incident of "terrorism". Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss. This exclusion applies only when one or more of the following are attributed to an incident of "terrorism":

- 1. The "terrorism" is carried out by means of the dispersal or application of radioactive material, or through the use of a nuclear weapon or device that involves or produces a nuclear reaction, nuclear radiation or radioactive contamination;
- 2. Radioactive material is released, and it appears that one purpose of the "terrorism" was to release such material;
- 3. The "terrorism" is carried out by means of the dispersal or application of pathogenic or poisonous biological or chemical materials; or
- 4. Pathogenic or poisonous biological or chemical materials are released, and it appears that one purpose of the "terrorism" was to release such materials.

Multiple incidents of "terrorism" 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, regardless of whether this endorsement was in effect during the entirety of that time period or not.

**CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM
AND
IMPORTANT INFORMATION REGARDING TERRORISM RISK
INSURANCE COVERAGE**

It is agreed:

1. With respect to any one or more certified acts of terrorism, we will not pay any amounts for which we are not responsible because of the application of any provision which results in a cap on our liability for payments for terrorism losses in accordance with the terms of the federal Terrorism Risk Insurance Act of 2002 (including ensuing Congressional actions pursuant to the Act).
2. Certified act of terrorism means any act certified by the Secretary of the Treasury, in consultation with:
 - a. the Secretary of Homeland Security; and
 - b. the Attorney General of the United Statesto be an act of terrorism as defined and in accordance with the federal Terrorism Risk Insurance Act of 2002 (including ensuing Congressional actions pursuant to the Act).
3. Under the federal Terrorism Risk Act of 2002 (including ensuing Congressional actions pursuant to the Act) a terrorist act may be certified:
 - a. if the aggregate covered commercial property and casualty insurance losses resulting from the terrorist act exceed \$5 million; and
 - b. (1) if the act of terrorism is:
 - a) a violent act; or
 - b) an act that is dangerous to human life, property or infrastructure; and
 - (2) if the act is committed:
 - a) by an individual or individuals as part of an effort to coerce the civilian population of the United States; or
 - b) to influence the policy or affect the conduct of the United States government by coercion.

All other policy terms and conditions apply.

IMPORTANT INFORMATION REGARDING TERRORISM RISK INSURANCE COVERAGE

The Terrorism Risk Insurance Act of 2002 was signed into law on November 26, 2002. The Act (including ensuing Congressional actions pursuant to the Act) defines an act of terrorism, to mean any act that is 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 (i) an act of terrorism; (ii) to be a violent act or an act that is dangerous to human life, property or infrastructure; (iii) 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 (iv) 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.

Subject to the policy terms and conditions, this policy provides insurance coverage for acts of terrorism as defined in the Act.

Any coverage for certain commercial lines of property and casualty insurance provided by your policy for losses caused by certified acts of terrorism are partially paid by the federal government under a formula established by federal law. Under this formula, the government will reimburse us for 85% of such covered losses that exceed the statutory deductible paid by us. However, beginning January 1, 2016 the share will decrease 1% per calendar year until it equals 80%. **You should also know that in the event aggregate insured losses exceed \$100 billion during any year the Act is in effect, then the federal government and participating United States insurers that have met their insurer deductible shall not be liable for the payment of any portion of that amount of the loss that exceeds \$100 billion. In the event that aggregate insured losses exceed \$100 billion annually, no additional claims will be paid by the federal government or insurers.** This formula is currently effective through December 31, 2020 unless extended.

The premium charge, if any, for this coverage is shown separately on the attached Declarations page. In the event of a certified act of terrorism, future policies also may include a government assessed terrorism loss risk-spreading premium in accordance with the provisions of the Act.

Please contact us if you would like to reject coverage for certified acts of terrorism.