

eSIMON@
FAIRLANE.BIC

LUSTGARTEN ASSOCIATES, INC.

375 FIFTH Avenue, 3rd Fl., New York, NY 10016

Tel: (212) 683-2440 • Fax: (212) 447-7265

Guy's Email: guy@lustgarten-insurance.com

General Email: admin@lustgarten-insurance.com

FACSIMILE

TO: CLAUDE SIMON

FROM: TOBIN GUY LUSTGARTEN

CO: _____

DATE: _____

SUBJECT: VERATEX

OF PAGES: _____

CLAUDE - HERE IS THE RENEWAL
FOR VERATEX - DO YOU WISH TO FINANCE?
IF SO SEND AN EMAIL.

Best Wishes
Tobin Guy Lustgarten



2 Jericho Plaza, Suite 302
Jericho, NY 11753
Ph: 631-752-7575
www.rtspecialty.com

24994383A

QUOTATION SUMMARY

January 24, 2025

Lustgarten Associates, Inc.
Tobin Guy Lustgarten
375 5th Avenue 3rd Floor
New York, NY 10016

FROM: Jennifer Tragna for Edward Skewes

Outlined below is a summary of the attached quotation obtained for the above noted Insured. The full quote terms, conditions, limitations, and exclusions can be found on the attached quote. Please pay special attention to those items found on the quote, and note that in the event of any discrepancies between the information found on this summary and the quote itself, the quote supersedes our summary. As the broker with the direct relationship with the Insured, it is your responsibility to carefully review with the Insured the terms, conditions, limitations, and exclusions in the quote, and to specifically reconcile with the Insured any differences between those quoted and those you requested. RT Specialty expressly disclaims any responsibility for any failure on your part to review or reconcile any such differences with the Insured.

NAMED INSURED:	Veratex, Inc. 534 East 56th Street 3rd Floor New York, NY 10022	
PRIMARY RISK ADDRESS:	534 East 56th Street 3rd Floor New York, NY 10022	
COVERAGE:	Commercial General Liability - Primary	
INSURER:	Great American Risk Solutions Surplus Lines I - Non-Admitted	
POLICY TERM:	2/3/2025 - 2/3/2026	
ESTIMATED POLICY PREMIUM:	\$7,500.00	
OPTIONAL TRIA:	NOT APPLICABLE	
FEES:	Brokerage Fee	\$300.00
	TOTAL FEES:	\$300.00
ESTIMATED SURPLUS LINES TAX:	Surplus Lines Tax	\$270.00
	Stamping Office Fee	\$11.25
	TOTAL TAXES:	\$281.25
TOTAL:	\$8,081.25	



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SPECIAL CONDITIONS / OTHER COVERAGES:

NO FLAT CANCELLATIONS
ALL FEES ARE FULLY EARNED AT INCEPTION

For RT Specialty to file the surplus lines taxes on your behalf, please complete the surplus lines tax document (per the applicable state requirements) and return with your request to bind. Due to state regulations, RT Specialty requires tax documents to be completed within 24 to 48 hours of binding. Please be diligent in returning tax forms.



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HOME STATE FOR NON-ADMITTED RISKS

Taxes and governmental fees are estimates and subject to change based upon current rates of the Home State and risk information available at the date of binding. The Home State of the Insured for a non-admitted risk shall be determined in accordance with the Nonadmitted and Reinsurance Act of 2010, 15. U.S.C §8201, etc. ("NRRA"). Some states require the producing broker to submit a written verification of the insured's Home State for our records. The applicable law (if any) of the Home State governing cancellation or non-renewal of non-admitted insurance, including whether any such laws apply to non-admitted risks, shall apply to this Policy.

BINDING INSTRUCTIONS

We will only bind coverage in writing after we receive a written request from you to bind coverage. If coverage is requested, the subjectivities listed must be submitted:

There are subjectivities that:

- must be complied with or resolved before the contract becomes binding
- apply both before or after inception, compliance with which is a condition of all or part of the coverage; and
- apply after the formation of the contract as conditions of continued coverage.

Failure to provide or comply with these subjectivities might result in a refusal to bind or cancellation of coverage, at the insurer's option. Please note that this is a quote only, and the Insurer reserves the right to amend or withdraw the quote if new, corrected, or updated information is received. You must notify us of any material change in the risk exposure occurring after submission of the application. If the Insurer binds the risk following your written request, the terms of the policy currently in use by the Insurer will supersede the quote.

Any amendments to coverage must be specifically requested in writing or by submitting a policy change request form and then approved by the Insurer. Coverage cannot be affected, amended, extended, or altered through the issuance of certificates of insurance. Underlying Insurers must be rated A- VII or better by A.M. Best.

This quote summary, the quote, the fees quoted and our advice, is confidential. This quote summary and the quote constitutes the entire understanding and supersedes any and all agreements and communications respecting the insurance offered. If you need further information about the quote, our fee or the Insurer that is proposing to provide your insurance, please contact us.



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PREMIUM FINANCE (If not included in the quote document)

If the insured and the insurer agree to bind coverage and the premium will be financed, upon binding, please instruct the premium finance company to send documents to our attention. Premium Finance funds should always be paid to RT Specialty.

PRODUCER COMPENSATION:

RT Specialty is typically compensated through commission from the insurer for the placement of policies in most transactions. The amount of the commission varies by insurance line and by carrier. RT Specialty might also receive additional compensation. In order to place the insurance requested we may charge a reasonable fee for additional services such as performing a risk analysis, comparing policies, processing submissions, communication expenses, inspections, working with underwriters on the coverage proposal, issuing policies, or servicing the policy after issuance. Any fees charged are fully earned at inception of the policy. Third-party inspection or other fees may be separately itemized upon request. Our fees are applied to new policies, renewal policies, and endorsements. Fees applicable to each renewal and endorsement will be set forth in the quotes. It is the insurance carrier's decision whether to offer the insurance quoted, and your client's decision whether to accept the quote. Our fee is not imposed by state law or the Insurer.

Depending upon the Insurer involved with your placement, we might also have an agreement with the Insurer that we are proposing for this placement that might pay us future additional compensation. This compensation could be based on formulas that consider the volume of business placed with the Insurer, the profitability of that business, how much of the business is retained for the Insurer's account each year, and potentially other factors. The agreements frequently consider total eligible premium from all clients placed during a calendar year and any incentive or contingent compensation is often received at a future date. Because of variables in these agreements, we often do not have an accurate means at the time of placement to determine the amount of any additional compensation that might be attributable to any single placement.

You, as the retail broker with the direct relationship with the Insured, must comply with all applicable laws and regulations related to disclosure of and consent and agreement to, compensation, and informing the Insured that it may request more information about producer or broker compensation that might be paid in connection with the Insured's placement. If we request a copy of any legally required insured consent or agreement, you will provide us with a copy. If you need additional information about the compensation arrangements for services provided by RT Specialty affiliates, please contact your RT Specialty representative.

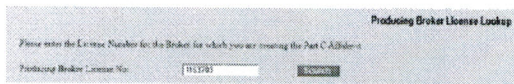
RT Specialty is a division of RSG Specialty, LLC. RSG Specialty, LLC is a Delaware limited liability company and a subsidiary of Ryan Specialty, LLC. In California: RSG Specialty Insurance Services, LLC (License # 0G97516).

Unless this quote is amended or withdrawn it is valid for 30 days from the date shown above, or the proposed effective date, whichever is earlier. This quote can be amended or withdrawn at any time prior to acceptance by the insured. If the quote included with this letter provides otherwise, or in any way conflicts with this letter, the terms of the quote shall govern and control.

ELECTRONIC PART C INSTRUCTIONS – Please Note* This is a Fillable form only and is NOT saved or uploaded to the Elany website. Once completed, it must be printed, saved, and send to the RT Broker Team to be processed.
Open in Chrome or Turn off pop-up blockers on Internet Explorer

Use this link to go directly to the electronic Part C <https://eefs.elany.org/eefs/aff/PartCLicense.xhtml>

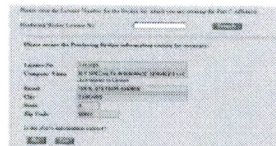
1. Enter New York Broker License Number (numbers only)
2. Confirm it's the correct Producing Broker information



Producing Broker License Lookup

Please enter the License Number for the Broker for which you are creating the Part C Affidavit.

Producing Broker License No:



Please enter the Broker's Name for the Broker for which you are creating the Part C Affidavit.

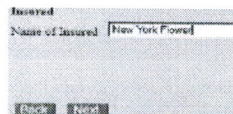
Producing Broker License No:

Please enter the Producing Broker Information exactly as it appears:

License No: License Type:
 Company Name:
 Address:
 City:
 State:
 Zip:

Is this the Broker's Information?

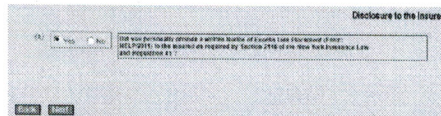
3. Enter the Named Insured



Named Insured

Name of Insured:

4. Disclosure to Insured – Select Yes

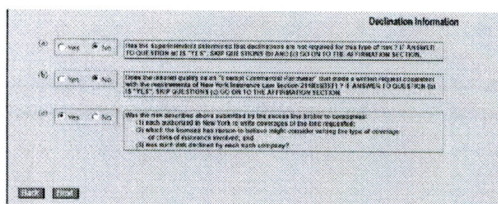


Disclosure to the Insured

☒ Yes ☐ No

Did you personally provide a written notice of Excess Line Placement to the Insured? (If "No", you must attach a written notice of Excess Line Placement to the Affidavit.)

5. Declination Information



Declination Information

(a) ☐ Yes ☒ No

Has the Insured been previously declined by the Insurer for the type of risk? (If "Yes", you must attach a written notice of Excess Line Placement to the Affidavit.)

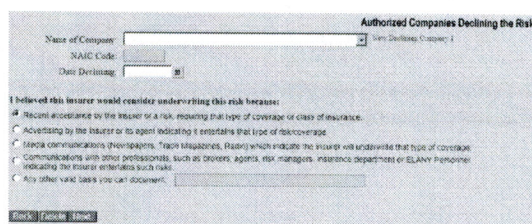
(b) ☐ Yes ☒ No

Has the Insured been previously declined by the Insurer for the type of risk? (If "Yes", you must attach a written notice of Excess Line Placement to the Affidavit.)

(c) ☐ Yes ☒ No

Has the Insured been previously declined by the Insurer for the type of risk? (If "Yes", you must attach a written notice of Excess Line Placement to the Affidavit.)

6. Enter declining carrier information for 3 admitted carriers



Authorized Companies Declining the Risk

Name of Company: NAIC Code: Declining Company:

Date Declining:

I believe this insurer would consider underwriting this risk because:

☒ Recent acquisition by the insurer of a risk, resulting in that type of coverage or class of coverage.

☐ Advertising by the insurer or its agent indicating it intends that type of risk coverage.

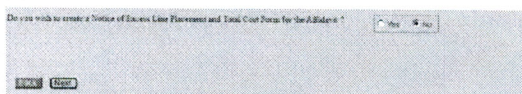
☐ Media communications (newspapers, Trade Magazines, Radio) which indicate the insurer will underwrite that type of coverage.

☐ Communications with other professionals, such as brokers, agents, risk managers, insurance departments or ELANY Personnel indicating the insurer intends to underwrite such risk.

☐ Any other valid basis you can document.

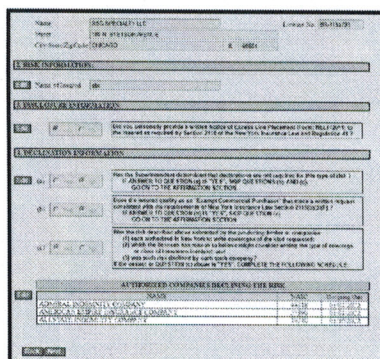
7. Notice of Excess Line Placement will default to "No". Click Next

Optional - You can change to yes and use this for your Notice & Total Cost Form, if you prefer



Do you wish to create a Notice of Excess Line Placement and Total Cost Form for the Affidavit? ☐ Yes ☒ No

8. Verify the info - click next



Name: License No:

Address: City: State: Zip:

1. BROKER INFORMATION

Name of Company:

2. DECLARATION INFORMATION

(a) ☐ Yes ☒ No

Has the Insured been previously declined by the Insurer for the type of risk? (If "Yes", you must attach a written notice of Excess Line Placement to the Affidavit.)

(b) ☐ Yes ☒ No

Has the Insured been previously declined by the Insurer for the type of risk? (If "Yes", you must attach a written notice of Excess Line Placement to the Affidavit.)

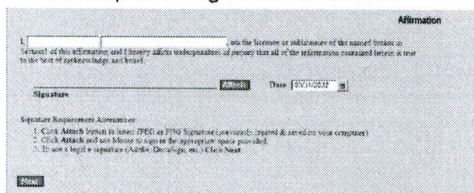
(c) ☐ Yes ☒ No

Has the Insured been previously declined by the Insurer for the type of risk? (If "Yes", you must attach a written notice of Excess Line Placement to the Affidavit.)

3. AUTHORIZED COMPANIES DECLINING THE RISK

Company Name	NAIC Code	Declining Company
ABC COMPANY	123456789	1

9. Affirmation - Enter first & last name
- * Go to step 10 for signature instructions



Affirmation

I, , do hereby affirm and declare that I am the licensed or authorized agent of the named Insurer as set forth in this Affidavit and I hereby affirm and declare that I am the licensed or authorized agent of the named Insurer as set forth in this Affidavit.

Signature:

Signature Requirements: (Signature must be in ink or PDF format and must be signed by the named Insurer.)

1. Click "Affirm" button in step 9 (PDF or PDF Signature) (Signature must be signed by the named Insurer.)

2. Click "Affirm" button in step 9 (PDF or PDF Signature) (Signature must be signed by the named Insurer.)

3. To use a legal signature (Affirm, Decline, etc.) Click "Next"

10. Signature - 3 options *typed font signature is not acceptable

- 1.click next - a pdf generates- apply a legal e-signature with authentication(Adobe, DocuSign, etc.);
- 2.click next - a pdf generates print, wet sign & scan; or
- 3.click attach and follow the instructions below

Click Attach

I, am the licensee or sublicensee of the named broker in Section I of this affirmation and I hereby affirm underpenalties of perjury that all of the information contained herein is true to the best of my knowledge and belief.

Date: 09/01/2023

Signature

Signature Requirement Alternatives:

1. Click **Attach** button to insert JPEG or PNG Signature (previously created & saved on your computer).
2. Click **Attach** and use Mouse to sign in the appropriate space provided.
3. To use a legal e-signature (Adobe, DocuSign, etc.) Click **Next**.


Draw your signature with your mouse - click "Save Signature"

Name of Insured: test

Upload your Signature File

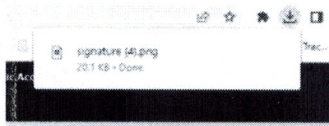
(Click to choose file)

(Currently only jpeg or png files are accepted)



Name	Type	Uploaded By	Uploaded
Signature			

A PNG image file will popup on your browser & save in your downloads



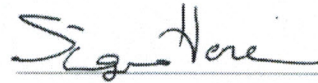
Drag the image file and drop it into the box next to "attach". Then click attach

Name of Insured: test

Upload your Signature File

(Click to choose file)

(Currently only jpeg or png files are accepted)



Name	Type	Uploaded By	Uploaded
Signature			


The PNG file should appear in the bottom. Click next & a pdf of the Part C should generate along with the signature on Pg 2.
Please verify the electronic signature generated, save and email the completed form back to RT.

Name of Insured: test

Upload your Signature File

(Click to choose file)

(Currently only jpeg or png files are accepted)



Name	Type	Uploaded By	Uploaded
Signature - 1	image/png	64.99.173.84	10/01/2023

Lustgarten Associates, Inc.
375 5th Avenue 3rd Floor
New York, NY 10016

NOTICE OF EXCESS LINE PLACEMENT
Date: January 24, 2025

Veratex, Inc.
534 East 56th Street 3rd Floor
New York, NY 10022

Consistent with the requirements of the New York Insurance Law and Regulation 41 Veratex, Inc. is hereby advised that all or a portion of the required coverages have been placed by Lustgarten Associates, Inc. with insurers not authorized to do an insurance business in New York and which are not subject to supervision by this State. Placements with unauthorized insurers can only be made under one of the following circumstances:

- a) A diligent effort was first made to place the required insurance with companies authorized in New York to write coverages of the kind requested; or
- b) NO diligent effort was required because i) the coverage qualifies as an "Export List" risk, or ii) the insured qualifies as an "Exempt Commercial Purchaser."

Policies issued by such unauthorized insurers may not be subject to all of the regulations of the Superintendent of Financial Services pertaining to policy forms. In the event of insolvency of the unauthorized insurers, losses will not be covered by any New York State security fund.

TOTAL COST FORM (NON TAX ALLOCATED PREMIUM TRANSACTION)

In consideration of your placing my insurance as described in the policy referenced below, I agree to pay the total cost below which includes all premiums, inspection charges⁽¹⁾ and a service fee that includes taxes, stamping fees, and (if indicated) a fee⁽¹⁾ for compensation in addition to commissions received, and other expenses⁽¹⁾.

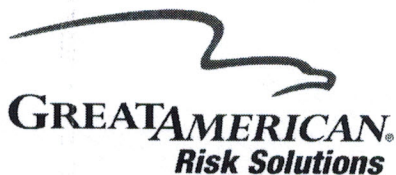
I further understand and agree that all fees, inspection charges and other expenses denoted by⁽¹⁾ are fully earned from the inception date of the policy and re non-refundable regardless of whether said policy is cancelled. Any policy changes which generate additional premium are subject to additional tax and stamping fee charges.

RE: Policy No. Insurer: Great American Risk Solutions Surplus Lines I

Policy Premium	\$7,500.00
<u>Insurer Imposed Charges:</u>	
Policy Fees ⁽¹⁾	
Inspection Fees ⁽¹⁾	
Total Taxable Charges	
<u>Service Fee Charges:</u>	
Excess Line Tax(3.60%)	\$270.00
Stamping Fee	\$11.25
Broker Fee ⁽¹⁾	\$300.00
Inspection Fee ⁽¹⁾	
Other Expenses (specify) ⁽¹⁾	
Total Policy Cost	<u>\$8,081.25</u>

(Signature of Insured)

⁽¹⁾ = Fully earned



Great American Insurance Group Tower
301 E. Fourth St.
Cincinnati, OH 45202

Date: January 24, 2025

Submission #: 1227130-1
Renewal of: PL 2658682-05

Attention: Jennifer Tragna
RSG/R-T Jericho

Subject: Proposal

Insurance Company: Great American Risk Solutions Surplus Lines Insurance Company (Non-admitted), Rated A+ by A.M. Best

Named Insured: Veratex, Inc.

Mailing Address: 336 East 56th Street Ground Floor
New York, NY 10022

Coverage: Commercial General Liability Coverage - Occurrence Form

*** New York is the Policy State which is used for policy issuance and tax payments.
If this is not correct, please let us know prior to binding. ***

Defense costs are outside the policy limits.

Limits:

\$2,000,000	General Aggregate Limit (Other Than Prod/CompOps)
\$2,000,000	Products-Completed Operations Aggregate Limit
\$1,000,000	Personal & Advertising Injury
\$1,000,000	Each Occurrence Limit
\$500,000	Damage to Premises Rented to You Limit (Limit Incl in Plus Endorsement)
\$20,000	Medical Expense Limit (Limit Incl in Plus Endorsement)
Limited Product Withdrawal Expense	
\$50,000	Aggregate

Deductible: \$2,500 per claim

Premium:	Premium Excluding TRIPRA	\$7,500
	Premium for TRIPRA	\$250
		<hr/>
	Premium Total	\$7,750

Rate: \$3.000 Per \$1,000 of Gross Sales based on \$1,800,000 - Minimum Premium

Terms and Conditions

Policy Forms:
Specimen Packet

New York Surplus Lines Notification - NYSN (05/20)
Declarations Page-Common Policy Declarations - AES3061 (12/05)
Forms and Endorsements Schedule-Interline - IL8801FE (11/85)
Declarations Page-General Liability Coverage Part - CG7400 (11/85)
Commercial General Liability Coverage Form - CG0001 (04/13)
Common Policy Conditions - IL0017 (11/98)
Common Policy Conditions Amendment - ESM3005 (10/15)

Deductible Liability Insurance - [RSG7168 \(08/20\)](#)
 Excess Insurance Provision-Order of Response-When You Are An Additional Insured On Other Insurance - [CG2456 \(12/23\)](#)
 General Service of Suit Endorsement (Not Applicable In Delaware Or Pennsylvania) - [RSM7112 \(05/22\)](#)
 In Witness Clause - [IL7268 \(09/09\)](#)
 Minimum Premium-Absolute Minimum Premium - [RSG7187 \(08/21\)](#)
 Limited Product Withdrawal Expense Endorsement - [CG0436 \(12/19\)](#)
Aggregate \$ 50,000
Deductible \$ 2,500
CutoffDate 02/03/2019
 Specialty Plus Endorsement - [RSG7268 \(01/23\)](#)
 Form includes: Non-owned Watercraft up to 55 feet; Non-owned Aircraft Chartered with Crew; \$20,000 Med Pay; Medical Expenses - Completed Operations-Dental Services; Fellow Employee; Broadened Named Insured; Blanket Additional Insured-Owners, Lessees and Contractors with Primary & Non-Contributory; Blanket Additional-Vendors with Primary & Non-Contributory; \$500,000 Damage to Premises Rented to You; Broad Notice of Occurrence; Unintentional E&O; Waiver of Subrogation; Non-Employee Discrimination; Incidental Malpractice; Contractual Liability for Railroad Exposures; Mental Anguish, Injury or Shock Added to 'Bodily Injury' Definition)
 Biometric Liability Exclusion Endorsement - [CG9363 \(02/24\)](#)
 Exclusion - Access or Disclosure of Confidential or Personal Material or Information - [CG2106 \(12/23\)](#)
 Exclusion - Aircraft Products and Grounding Liability - [RSG1010 \(05/20\)](#)
 Exclusion - Asbestos - [IL7069 \(03/16\)](#)
 Exclusion - Cross Suits Liability-Any Named Insured - [RSG7217 \(12/21\)](#)
 Exclusion - Cyber Incident - [CG4035 \(12/23\)](#)
 Exclusion - Electronic Data - Deletion of Bodily Injury Exception - [CG2185 \(12/23\)](#)
 Exclusion - Employers Liability - [RSG3229 \(09/21\)](#)
 Exclusion - Employment-Related Practices - [CG2147 \(12/07\)](#)
 Exclusion - Liability Arising Out of Lead - [CG7794 \(07/98\)](#)
 Exclusion - Magnets or Products Containing Magnets - [RSG7358 \(02/24\)](#)
 Exclusion - Metal Gas, Fume and Metal By-Product - [RSG1007 \(05/20\)](#)
 Exclusion - New York Construction or Contracting Operations - [RSG7134 \(05/19\)](#)
 Exclusion - Nuclear Energy Liability Exclusion (Broad Form) - [IL0021 \(09/08\)](#)
 Exclusion - Nuclear, Biological, or Chemical - [CG8366 \(06/05\)](#)
 Exclusion - Organic Pathogens - [CG8481 \(08/14\)](#)
 Exclusion - Perfluoroalkyl or Polyfluoroalkyl Substances (PFAS) - [RSG7174 \(01/20\)](#)
 Exclusion - Pre-Existing Damage - [RSG1001 \(09/23\)](#)
 Exclusion - Professional Liability Errors and Omissions - [RSG7212 \(11/21\)](#)
 Exclusion - Punitive and Exemplary Damages - [CG8344 \(01/03\)](#)
 Exclusion - Silica or Related Dust - [CG8361 \(02/05\)](#)
 Exclusion - Total Pollution - [CG2149 \(09/99\)](#)
 Exclusion - Unmanned Aircraft Personal and Advertising Injury Liability - [RSG1011 \(01/23\)](#)
 Exclusion - Violation of Law Addressing Data Privacy - [CG0069 \(12/23\)](#)
 Exclusion of Claims and Suits Alleging infringement of Intellectual Property or Unfair Competition - [CG9029 \(05/16\)](#)
 Global Sanction Endorsement - [IL7324 \(07/21\)](#)

Subjectivities:

- * Risk may not be bound with an effective date prior to the date of the proposal
- * To bind coverage, you must notify us on or prior to the effective date of the policy, along with written verification to the company within seven (7) days of the policy effective date.
- * We require the Completed Surplus Lines Filing Confirmation for taxation or fee purposes in: AL, FL, GA, IA, KS, LA, MA, MI, MS, MO, MT, NH, NJ, NY, NC, OK, RI, SC, SD.
- * We require the Surplus Lines State Notification to the Insured to be completed and/or signed when required as attached to the policy
- * Flat cancellations are not permitted on any binders
- * Binders are subject to the minimum retained premium
- * Quote valid for 30 days
- * Subject to Signed ACORD or Signed Supplemental Application
- * Prior to binding, the attached Terrorism form must be completed
- * Premiums are Deposit Premiums
- * Minimum Premiums are 100% of the Advance Premium
- * Minimum Retained Premium: 25%
- * Express Renewal^

^ According to our underwriting file, this quote may be eligible for our Express Renewal process. If any of the following is not true, please contact Great American prior to binding coverage for a revised quote if needed.

- A. You may bind coverage per the attached quote if the First Named Insured has confirmed:
- i. All known losses have been reported to us.
 - ii. No Named Insured
 - a. Is manufacturing any products not previously disclosed on a prior application;
 - b. Is selling, distributing, or importing products not previously disclosed on a prior application;
 - c. Expanded its operations to include operations not previously disclosed on a prior application, including any operations involving installation, monitoring, repair services, or other services involving any products; and
 - iii. Gross sales of all Named Insureds are correct as shown on this quote letter.
(all sales must be reported & will be rated for)
- B. A signed renewal application is necessary if one has not already been provided.

* This quote is for informational purposes only. The actual coverages, terms and conditions offered herein may be more restrictive than those requested on your application.

* Terrorism forms will be added to the policy. Specific forms will be determined by the insured's acceptance or rejection of terrorism coverage. Forms added will be the state mandatory forms for accepted or rejected terrorism coverage. Form names and numbers will be shown on the binder when coverage has been accepted or rejected.

Thank you for the opportunity to quote this Renewal. Please let me know if there is anything else you need or if we may bind coverage.

POLICYHOLDER DISCLOSURE - OFFER OF TERRORISM COVERAGE

The Terrorism Risk Insurance Act establishes a program within the Department of the Treasury, under which the federal government shares, with the insurance industry, the risk of loss from future terrorist attacks. The Act applies when the Secretary of the Treasury certifies that an event meets the definition of an act of terrorism. The Act provides that, to be certified, an act of terrorism must cause losses of at least five million dollars and must have been committed by an individual or individuals as part of an effort to coerce the government or population of the United States.

The United States Government, Department of the Treasury, will pay a share of terrorism losses insured under the federal program. The federal share equals a percentage of that portion of the amount of such insured losses that exceeds the applicable insurer retention. The federal share percentage is 80%.

The Terrorism Risk Insurance Act, as amended in 2015, 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 in any one calendar year exceeds \$100 billion. If the aggregate insured losses for all insurers exceed \$100 billion, your coverage may be reduced.

In accordance with the Terrorism Risk Insurance Act, we are required to offer you coverage for losses resulting from an act of terrorism **that is certified under the federal program** as an act of terrorism. The policy's other provisions will still apply to such an act.

See the section of this Notice titled **SELECTION OR REJECTION OF TERRORISM INSURANCE COVERAGE**. If you choose to accept this offer of coverage, your premium will include the additional premium for terrorism as stated in this disclosure.

Failure to pay the premium by the due date will constitute rejection of the offer and your policy will be written to exclude the described coverage.

SELECTION OR REJECTION OF TERRORISM INSURANCE COVERAGE

Please note: regardless of your selection, a premium is due. The specific amount is included in the option you choose.

 I hereby elect to purchase **Terrorism coverage** for acts of terrorism that are certified under the federal program as an act of terrorism **for a premium of \$250**. I understand that if the quoted premium is not remitted within 30 days of the policy effective date, an **exclusion** of terrorism losses will be made a part of this policy.

 I hereby reject the offer of terrorism coverage. I understand that an **exclusion** of terrorism losses will be made part of this policy.

Print Name _____

Veratex, Inc.
Named Insured

Policyholder/Applicants Signature

Date _____

1227130
Submission Number