

SIGCo
POLICYHOLDER DISCLOSURE
NOTICE OF TERRORISM
INSURANCE COVERAGE

Coverage for acts of terrorism, as defined in the Terrorism Risk Insurance Act which was enacted in the United States on November 26, 2002, where those acts precipitate a claim for a Covered Liability on the guarantor under OPA90 or CERCLA is already included within the terms of your COFR Facility Agreement with SIGCo. You should know that, effective November 26, 2002, any losses in connection with the COFR Guaranty issued by SIGCo under the terms of the COFR Facility Agreement, and caused by certified acts of terrorism, would be partially reimbursed by the United States under a formula established by federal law. Under this formula, the United States pays 90% of covered terrorism losses exceeding the statutorily established deductible paid by the insurance company providing the coverage. The portion of your annual premium that is attributable to coverage for acts of terrorism is 5%.