

PERFORMANCE BOND FOR OTHER THAN CONSTRUCTION CONTRACTS <i>(See instructions on reverse)</i>	DATE BOND EXECUTED (Must be same or later than date of contract) 09/08/2005	OMB No.: 9000-045								
Public reporting burden for this collection of information is estimated to average 25 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the FAR Secretariat (MVR), Federal Acquisition Policy Division, GSA, Washington, DC 20405										
PRINCIPAL (Legal name and business address) Ashbritt Environmental Inc. 480 South Andrews Ave. Pompano Beach, FL 33069-9353		TYPE OF ORGANIZATION ("X" one) <input type="checkbox"/> INDIVIDUAL <input type="checkbox"/> PARTNERSHIP <input type="checkbox"/> JOINT VENTURE <input checked="" type="checkbox"/> CORPORATION								
		STATE OF INCORPORATION Florida								
SURETY(IES) (Name(s) and business address(es)) Federal Insurance Company 15 Mountain View Road Warren, NJ 07059		PENAL SUM OF BOND <table border="1" style="width:100%; border-collapse: collapse; font-size: x-small;"> <tr> <td>MILLION(S)</td> <td>THOUSAND(S)</td> <td>HUNDRED(S)</td> <td>CENTS</td> </tr> <tr> <td style="text-align: center;">100</td> <td style="text-align: center;">000</td> <td style="text-align: center;">000</td> <td style="text-align: center;">00</td> </tr> </table>	MILLION(S)	THOUSAND(S)	HUNDRED(S)	CENTS	100	000	000	00
MILLION(S)	THOUSAND(S)	HUNDRED(S)	CENTS							
100	000	000	00							
		CONTRACT DATE 09/08/2005								
		CONTRACT NO. W912PB-05-D-0025								
		OPTION DATE								
		OPTION NO.								

OBLIGATION:
We, the Principal and Surety(ies), are firmly bound to the United States of America (hereinafter called the Government) in the above penal sum. For payment of the penal sum, we bind ourselves, our heirs, executors, administrators, and successors, jointly and severally. However, where the Sureties are corporations acting as co-sureties, we, the Sureties, bind ourselves in such sum "jointly and severally" as well as "severally" only for the purpose of allowing a joint action or actions against any or all of us. For all other purposes, each Surety binds itself, jointly and severally with the Principal, for the payment of the sum shown opposite the name of the Surety. If no limit of liability is indicated, the limit of liability is the full amount of the penal sum.

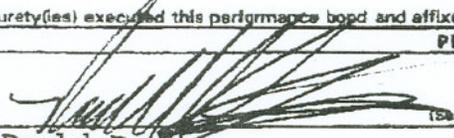
CONDITIONS:
The Principal has entered into the contract identified above.

THEREFORE:
The above obligation is void if the Principal: (1) Performs and fulfills all the undertakings, covenants, terms, conditions, and agreements of the contract during either the base term or an optional term of the contract and any extensions thereof that are granted by the Government, with or without notice to the Surety(ies), and during the life of any guaranty required under the contract, and (2) performs and fulfills all the undertakings, covenants, terms, conditions, and agreements of any and all duly authorized modifications of the contract that hereafter are made. Notice of those modifications to the Surety(ies) is waived.

The guaranty for a base term covers the initial period of performance of the contract and any extensions thereof excluding any options. The guaranty for an option term covers the period of performance for the option being exercised and any extensions thereof.

The failure of a surety to renew a bond for any option term shall not result in a default of any bond previously furnished covering any base or option term.

WITNESS:
The Principal and Surety(ies) executed this performance bond and affixed their seals on the above date.

PRINCIPAL			
SIGNATURE(S)	1. 	2. (Seal)	Corporate Seal
NAME(S) & TITLE(S) (Typed)	1. Randal Perkins President	2.	

INDIVIDUAL SURETY(IES)			
SIGNATURE(S)	1. (Seal)	2. (Seal)	
NAME(S) (Typed)	1.	2.	

CORPORATE SURETY(IES)				
SURETY A	NAME & ADDRESS	Federal Insurance Company 15 Mountain View Rd., Warren, NJ 07059	STATE OF INC. Indiana	LIABILITY LIMIT \$
	SIGNATURE(S)	1. 	2.	Corporate Seal
	NAME(S) & TITLE(S) (Typed)	1. William P. Reidinger Attorney-in-Fact	2.	

SURETY B	NAME & ADDRESS		STATE OF INC.	LIABILITY LIMIT	Corporate Seal
	SIGNATURE(S)	1.	2.	\$	
	NAME(S) & TITLE(S) <i>(Typed)</i>	1.	2.		
SURETY C	NAME & ADDRESS		STATE OF INC.	LIABILITY LIMIT	Corporate Seal
	SIGNATURE(S)	1.	2.	\$	
	NAME(S) & TITLE(S) <i>(Typed)</i>	1.	2.		
SURETY D	NAME & ADDRESS		STATE OF INC.	LIABILITY LIMIT	Corporate Seal
	SIGNATURE(S)	1.	2.	\$	
	NAME(S) & TITLE(S) <i>(Typed)</i>	1.	2.		
SURETY E	NAME & ADDRESS		STATE OF INC.	LIABILITY LIMIT	Corporate Seal
	SIGNATURE(S)	1.	2.	\$	
	NAME(S) & TITLE(S) <i>(Typed)</i>	1.	2.		
SURETY F	NAME & ADDRESS		STATE OF INC.	LIABILITY LIMIT	Corporate Seal
	SIGNATURE(S)	1.	2.	\$	
	NAME(S) & TITLE(S) <i>(Typed)</i>	1.	2.		
SURETY G	NAME & ADDRESS		STATE OF INC.	LIABILITY LIMIT	Corporate Seal
	SIGNATURE(S)	1.	2.	\$	
	NAME(S) & TITLE(S) <i>(Typed)</i>	1.	2.		

BOND PREMIUM		RATE PER THOUSAND (\$)	TOTAL (\$)
		\$7.50	based on final contract value

INSTRUCTIONS

1. This form is authorized for use in connection with Government contracts. Any deviation from this form will require the written approval of the Administrator of General Services.
2. Insert the full legal name and business address of the Principal in the space designated "Principal" on the face of the form. An authorized person shall sign the bond. Any person signing in a representative capacity (e.g., an attorney-in-fact) must furnish evidence of authority if that representative is not a member of the firm, partnership, or joint venture, or an officer of the corporation involved.
3. (a) Corporations executing the bond as sureties must appear on the Department of the Treasury's list of approved sureties and must act within the limitation listed therein. Where more than one corporate surety is involved, their names and addresses shall appear in the spaces (Surety A, Surety B, etc.) headed "CORPORATE SURETY(IES)". In the space designated "SURETY(IES)" on the face of the form, insert only the letter identification of the sureties.

- (b) Where individual sureties are involved, a completed Affidavit of Individual Surety (Standard Form 28) for each individual surety, shall accompany the bond. The Government may require the surety to furnish additional substantiating information concerning their financial capability.
4. Corporations executing the bond shall affix their corporate seals. Individuals shall execute the bond opposite the word "Corporate Seal", and shall affix an adhesive seal if executed in Maine, New Hampshire, or any other jurisdiction requiring adhesive seals.
5. Type the name and title of each person signing this bond in the space provided.
6. Unless otherwise specified, the bond shall be submitted to the contracting office that awarded the contract.

STANDARD FORM 1418 (REV. 2-99) BACK

FEDERAL INSURANCE COMPANY

STATEMENT OF ASSETS, LIABILITIES AND SURPLUS TO POLICYHOLDERS

Statutory Basis

DECEMBER 31, 2004

(in thousands of dollars)

<u>ASSETS</u>		<u>LIABILITIES AND SURPLUS TO POLICYHOLDERS</u>	
Cash and Short Term Investments.....	\$ 383,074	Outstanding Losses and Loss Expenses....	\$ 9,939,817
United States Government, State and Municipal Bonds	10,946,632	Unearned Premiums	3,564,397
Other Bonds	2,719,905	Reinsurance Premiums Payable	466,431
Stocks	843,484	Provision for Reinsurance	168,509
Other Invested Assets	<u>827,529</u>	Other Liabilities	<u>1,225,106</u>
 TOTAL INVESTMENTS	 <u>15,520,604</u>	 TOTAL LIABILITIES	 <u>15,364,060</u>
 Investments in Affiliates:		Capital Stock	20,980
Chubb Investment Holdings, Inc.	1,552,797	Paid - In Surplus	3,106,790
Pacific Indemnity Company	1,151,862	Unassigned Funds	<u>4,636,895</u>
Executive Risk Indemnity Inc.	585,218	 SURPLUS TO POLICYHOLDERS	 <u>7,764,865</u>
Chubb Insurance Company of Europe ..	676,261		
Great Northern Insurance Company ..	254,959		
CC Canada Holdings Ltd.	263,553		
Vigilant Insurance Company	119,470		
Other Affiliates	292,070		
Premiums Receivable	1,591,736		
Other Assets	<u>1,120,195</u>		
 TOTAL ADMITTED ASSETS	 <u>\$ 23,128,725</u>	 TOTAL LIABILITIES AND SURPLUS TO POLICYHOLDERS	 <u>\$ 23,128,725</u>

Investments are valued in accordance with requirements of the National Association of Insurance Commissioners.
Investments valued at \$285,855 are deposited with government authorities as required by law.

State, County & City of New York, - ss:

Anna Maria Lovecchio, Assistant Secretary of the Federal Insurance Company being duly sworn, deposes and says that the foregoing Statement of Assets, Liabilities and Surplus to Policyholders of said Federal Insurance Company on December 31, 2004 is true and correct and is a true abstract of the Annual Statement of said Company as filed with the Secretary of the Treasury of the United States for the 12 months ending December 31, 2004.

Subscribed and sworn to before me
this


Assistant Secretary


Notary Public

CARL SICILIANO
NOTARY PUBLIC, State of New York
No. 01818076300
Qualified in Suffolk County
Commission Expires April 21, 2007

This Notice pertains to the following Surety Bond issued by a member insurer of the Chubb Group of Insurance Companies, including Federal Insurance Company, Vigilant Insurance Company and Pacific Indemnity Company.

Bond Number: 8192-83-63

POLICYHOLDER DISCLOSURE NOTICE
TERRORISM RISK INSURANCE ACT OF 2002

You are hereby notified that pursuant to the Terrorism Risk Insurance Act of 2002 (the "Act") effective November 26, 2002, we are making available to you coverage for losses arising out of certain acts of international terrorism. Terrorism is defined as any act 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 an air carrier or vessel or the premises of a United States Mission; and 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. Coverage for acts of terrorism is already included in the captioned Surety Bond.

You should know that, effective November 26, 2002, any losses caused by acts of terrorism covered by your Surety Bond will be partially reimbursed by the United States under the formula set forth in the Act. Under this formula, the United States of America pays 90% of covered terrorism losses that exceed the statutorily established deductible to be paid by the insurance company providing the coverage. The portion of your premium that is attributable to coverage for such acts of terrorism is zero, because we could not distinguish (and separately charge for) acts of terrorism from other causes of loss when we calculated your premium.

If you have any questions about this notice, please contact your agent or broker.



PAYMENT BOND FOR OTHER THAN CONSTRUCTION CONTRACTS <small>(See instructions on reverse)</small>		DATE BOND EXECUTED <small>(Must not be later than bid opening date)</small> 09/08/2005		OMB NO.: 9000-0046									
<small>Public reporting burden for this collection of information is estimated to average 25 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the FAR Secretariat (MVR), Federal Acquisition Policy Division, GSA, Washington, DC 20405.</small>													
PRINCIPAL <small>(Legal name and business address)</small> Ashbritt Environmental Inc. 480 South Andrews Ave. Pompano Beach, FL 33069-9353			TYPE OF ORGANIZATION <small>(Check one)</small> <input type="checkbox"/> INDIVIDUAL <input type="checkbox"/> PARTNERSHIP <input type="checkbox"/> JOINT VENTURE <input checked="" type="checkbox"/> CORPORATION										
			STATE OF INCORPORATION Florida										
SURETY(IES) <small>(Name(s) and business address(es) (include ZIP code))</small> Federal Insurance Company 15 Mountain View Road Warren, NJ 07059			PENAL SUM OF BOND <table border="1"> <tr> <td>MILLION(S)</td> <td>THOUSAND(S)</td> <td>HUNDRED(S)</td> <td>CENTS</td> </tr> <tr> <td>100</td> <td>000</td> <td>000</td> <td>00</td> </tr> </table>			MILLION(S)	THOUSAND(S)	HUNDRED(S)	CENTS	100	000	000	00
MILLION(S)	THOUSAND(S)	HUNDRED(S)	CENTS										
100	000	000	00										
			CONTRACT DATE 09/08/05										
			CONTRACT NO. W912P8-05-D-0025										

We, the Principal and Surety(ies) are firmly bound to the United States of America (hereinafter called the Government) in the above penal sum. For payment of the penal sum, we bind ourselves, our heirs, executors, administrators, and successors, jointly and severally. However, where the Sureties are corporations acting as co-sureties, we, the Sureties, bind ourselves in such sum "jointly and severally" as well as "severally" only for the purpose of allowing a joint action or actions against any or all of us. For all other purposes, each Surety binds itself, jointly and severally with the Principal, for the payment of the sum shown opposite the name of the Surety. If no limit of liability is indicated, the limit of liability is the full amount of the penal sum.

CONDITIONS:

The Principal has entered into the contract identified above.

THEREFORE:

(a) The above obligation is void if the Principal promptly makes payment to all persons (claimants) having a contract relationship with the Principal or a subcontractor of the Principal for furnishing labor, material or both in the prosecution of the work provided for in the contract identified above and any duly authorized modifications thereof. Notice of those modifications to the Surety(ies) are waived.

(b) The above obligation shall remain in full force if the Principal does not promptly make payments to all persons (claimants) having a contract relationship with the principal or a subcontractor of the Principal for furnishing labor, material or both in the prosecution of the contract identified above. In these cases, persons not paid in full before the expiration of ninety (90) days after the date of which the last labor was performed or material furnishing, have a direct right of action against the principal and Surety(ies) on this bond for the sum or sums justly due. The claimant, however, may not bring a suit or any action -

(1) Unless claimant, other than one having a direct contract with the Principal, had given written notice to the Principal within ninety (90) days after the claimant did or performed the last of the work or labor, or furnished or supplied the last of the materials for which the claim is made. The notice is to state with substantial accuracy the amount claimed and the name of the party to whom the materials were furnished or supplied, or for whom the work or labor was done or performed. Such notice shall be served by making the same by registered or certified mail, postage prepaid, in an envelope addressed to the Principal at any place where an office is regularly maintained for the transaction of business, or served in any manner in which legal process is served in the state in which the contract is being performed, save that such service need not be made by a public officer.

(2) After the expiration one (1) year following the date on which claimant did or performed the last of the work or labor, or furnished or supplied the last of the materials for which the suit is brought.

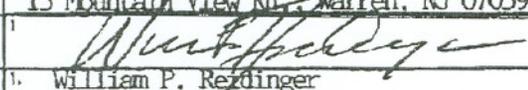
(3) Other than in the United States District court for the district in which the the contract, or any part thereof, was performed and executed, and not elsewhere.

WITNESS:

The Principal and Surety(ies) executed this bid bond and affixed their seals on the above date.

AUTHORIZED FOR LOCAL REPRODUCTION
 Previous edition is usable

STANDARD FORM 1416 (REV. 10-98)
 Prescribed by GSA - FAR (48 CFR) 53.228(m)

PRINCIPAL					
SIGNATURE(S)	1. 	2. (Seal)	3. (Seal)		
NAME(S) & TITLE(S) (Typed)	1. Randal Perkins President	2.	3.	Corporate Seal	
INDIVIDUAL SURETY(IES)					
SIGNATURE(S)	1.	2. (Seal)	3.	(Seal)	
NAME(S) & TITLE(S) (Typed)	1.	2.	3.		
CORPORATE SURETY(IES)					
SURETY A	NAME & ADDRESS	Federal Insurance Company 15 Mountain View Rd., Warren, NJ 07059		STATE OF INC. Indiana	LIABILITY LIMIT \$
	SIGNATURE(S)	1. 		2.	Corporate Seal
	NAME(S) & TITLE(S) (Typed)	1. William P. Rezdinger Attorney-in-Fact		2.	
SURETY B	NAME & ADDRESS			STATE OF INC.	LIABILITY LIMIT \$
	SIGNATURE(S)	1.		2.	Corporate Seal
	NAME(S) & TITLE(S) (Typed)	1.		2.	

INSTRUCTIONS

1. This form is authorized for use when payment bonds are required under FAR (48 CFR) 28.103-3, i.e., payment bonds for other than construction contracts. Any deviation from this form will require the written approval of the Administrator of General Services.
2. Insert the full legal name and business address of the Principal in the space designated "Principal" on the face of the form. An authorized person shall sign the bond. Any person signing in a representative capacity (e.g., an attorney-in-fact) must furnish evidence of authority if that representative is not a member of the firm, partnership, or joint venture, or an officer of the corporation involved.
3. (a) Corporations executing the bond as sureties must appear on the Department of the Treasury's list of approved sureties and must act within the limitation listed therein. Where more than one corporate surety is involved, their names and addresses shall appear in the spaces (Surety A, Surety B, etc.) headed "CORPORATE SURETY(IES)." In the space designed "SURETY(IES)" on the face of the form, insert only the letter identification of the sureties.
 (b) Where individual Sureties are involved, a completed Affidavit of Individual Surety (Standard Form 28), for each individual surety, shall accompany the bond. The Government may require the surety to furnish additional substantiating information concerning its financial capability.
4. Corporations executing the bond shall affix their corporate seals. Individuals shall execute the bond opposite the word "Corporate Seal"; and shall affix an adhesive seal if executed in Maine, New Hampshire, or any other jurisdiction requiring adhesive seals.
5. Type the name and title of each person signing this bond in the space provided.

STANDARD FORM 1416 (REV. 10-88) BACK

Know All by These Presents, That **FEDERAL INSURANCE COMPANY**, an Indiana corporation, **VIGILANT INSURANCE COMPANY**, a New York corporation, and **PACIFIC INDEMNITY COMPANY**, a Wisconsin corporation, do each hereby constitute and appoint **William P. Reidinger, Steven B. Cade, Jeffrey M. Leadley, Karen E. Bogard, Brian Passolt, Matthew V. Buol, Diane M. O'Leary of Chicago, Illinois**

each as their true and lawful Attorney-in-Fact to execute under such designation in their names and to affix their corporate seals to and deliver for and on their behalf as surety thereon or otherwise, bonds and undertakings and other writings obligatory in the nature thereof (other than bail bonds) given or executed in the course of business, and any instruments amending or altering the same, and consents to the modification or alteration of any instrument referred to in said bonds or obligations.

In Witness Whereof, said **FEDERAL INSURANCE COMPANY, VIGILANT INSURANCE COMPANY, and PACIFIC INDEMNITY COMPANY** have each executed and attested these presents and affixed their corporate seals on this **20th** day of **July, 2004**

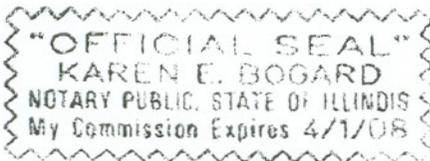
Kenneth C. Wendel
Kenneth C. Wendel, Assistant Secretary

Frank E. Robertson
Frank E. Robertson, Vice President

STATE OF: Illinois
COUNTY OF: Cook

On this 8th of September, 2005, before me personally appeared William P. Reidinger known to me to be the Attorney-in-Fact of Federal Insurance Company, the corporation that executed the within instrument, and acknowledged to me that such corporation executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal, at my office in the aforesaid county, the day and year in this certificate first written above.



Karen E. Bogard
(Notary Public)
Karen E. Bogard

purpose only of executing and attesting bonds and undertakings and other writings obligatory in the nature thereof, and any such power of attorney or certificate bearing such facsimile signature or facsimile seal shall be valid and binding upon the Company and any such power so executed and certified by such facsimile signature and facsimile seal shall be valid and binding upon the Company with respect to any bond or undertaking to which it is attached."

I, Kenneth C. Wendel, Assistant Secretary of **FEDERAL INSURANCE COMPANY, VIGILANT INSURANCE COMPANY, and PACIFIC INDEMNITY COMPANY** (the "Companies") do hereby certify that

- (i) the foregoing extract of the By-Laws of the Companies is true and correct,
- (ii) the Companies are duly licensed and authorized to transact surety business in all 50 of the United States of America and the District of Columbia and are authorized by the U. S. Treasury Department; further, Federal and Vigilant are licensed in Puerto Rico and the U. S. Virgin Islands, and Federal is licensed in American Samoa, Guam, and each of the Provinces of Canada except Prince Edward Island; and
- (iii) the foregoing Power of Attorney is true, correct and in full force and effect.

Given under my hand and seals of said Companies at Warren, NJ this 8th day of September 2005



Kenneth C. Wendel
Kenneth C. Wendel, Assistant Secretary

IN THE EVENT YOU WISH TO NOTIFY US OF A CLAIM, VERIFY THE AUTHENTICITY OF THIS BOND OR NOTIFY US OF ANY OTHER MATTER, PLEASE CONTACT US AT ADDRESS LISTED ABOVE, OR BY
Telephone (908) 903-3485 Fax (908) 903-3656 e-mail: surety@chubb.com

FEDERAL INSURANCE COMPANY

STATEMENT OF ASSETS, LIABILITIES AND SURPLUS TO POLICYHOLDERS

Statutory Basis

DECEMBER 31, 2004

(in thousands of dollars)

LIABILITIES AND SURPLUS TO POLICYHOLDERS

ASSETS

Cash and Short Term Investments.....	\$ 383,074
United States Government, State and Municipal Bonds	10,948,632
Other Bonds	2,719,905
Stocks	643,464
Other Invested Assets	827,529

TOTAL INVESTMENTS **15,520,604**

Investments in Affiliates:

Chubb Investment Holdings, Inc.	1,552,797
Pacific Indemnity Company	1,151,862
Executive Risk Indemnity Inc.	585,218
Chubb Insurance Company of Europe ..	676,261
Great Northern Insurance Company ..	254,959
CC Canada Holdings Ltd.	263,553
Vigilant Insurance Company	119,470
Other Affiliates	292,070
Premiums Receivable	1,591,736
Other Assets	1,120,195

TOTAL ADMITTED ASSETS **\$ 23,128,725**

Outstanding Losses and Loss Expenses...	\$ 9,939,617
Unearned Premiums	3,564,397
Reinsurance Premiums Payable	466,431
Provision for Reinsurance	168,509
Other Liabilities	1,225,106

TOTAL LIABILITIES **15,364,060**

Capital Stock	20,980
Paid - In Surplus	3,106,790
Unassigned Funds	4,636,895

SURPLUS TO POLICYHOLDERS **7,764,665**

**TOTAL LIABILITIES AND SURPLUS
TO POLICYHOLDERS** **\$ 23,128,725**

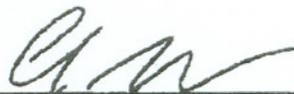
Investments are valued in accordance with requirements of the National Association of Insurance Commissioners.
Investments valued at \$285,855 are deposited with government authorities as required by law.

State, County & City of New York, - ss:

Anna Maria Lovecchio, Assistant Secretary of the Federal Insurance Company being duly sworn, deposes and says that the foregoing Statement of Assets, Liabilities and Surplus to Policyholders of said Federal Insurance Company on December 31, 2004 is true and correct and is a true abstract of the Annual Statement of said Company as filed with the Secretary of the Treasury of the United States for the 12 months ending December 31, 2004.

Subscribed and sworn to before me
this


Assistant Secretary


Notary Public

CARL SIGILIANO
NOTARY PUBLIC, State of New York
No. 01815076300
Qualified in Suffolk County
Commission Expires April 24, 2007

This Notice pertains to the following Surety Bond issued by a member insurer of the Chubb Group of Insurance Companies, including Federal Insurance Company, Vigilant Insurance Company and Pacific Indemnity Company.

Bond Number: 8192-83-63

POLICYHOLDER DISCLOSURE NOTICE
TERRORISM RISK INSURANCE ACT OF 2002

You are hereby notified that pursuant to the Terrorism Risk Insurance Act of 2002 (the "Act") effective November 26, 2002, we are making available to you coverage for losses arising out of certain acts of international terrorism. Terrorism is defined as any act 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 an air carrier or vessel or the premises of a United States Mission; and 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. Coverage for acts of terrorism is already included in the captioned Surety Bond.

You should know that, effective November 26, 2002, any losses caused by acts of terrorism covered by your Surety Bond will be partially reimbursed by the United States under the formula set forth in the Act. Under this formula, the United States of America pays 90% of covered terrorism losses that exceed the statutorily established deductible to be paid by the insurance company providing the coverage. The portion of your premium that is attributable to coverage for such acts of terrorism is zero, because we could not distinguish (and separately charge for) acts of terrorism from other causes of loss when we calculated your premium.

If you have any questions about this notice, please contact your agent or broker.

