

Possibility Of Additional Or Return Premium. The premium for certified acts of terrorism coverage is calculated based in part on the federal participation in payment of terrorism losses as set forth in the Act. The federal program established by the Act is scheduled to terminate at the end of 12/31/07 unless extended by the federal government. If the federal program terminates or if the level or terms of federal participation change, the estimated premium shown in **(B)** of above may not be appropriate.

If the policy contains a Conditional Exclusion, continuation of the coverage for certified acts of terrorism, or termination of such coverage, will be determined upon disposition of the federal program, subject to the terms and conditions of the Conditional Exclusion. If the policy does not contain a Conditional Exclusion, coverage for certified acts of terrorism will continue. In either case, when disposition of the federal program is determined, we will recalculate the premium shown in **(B)** above and will charge additional premium or refund excess premium, if indicated.

If we notify you of an additional premium charge, the additional premium will be due as specified in such notice.

Policyholder/Applicant's Signature

NAUTILUS INSURANCE COMPANY
Insurance Company

Print Name

Policy Number

Date

Named Insured