



December 2, 2005

REVISED PERSONAL LINES EXCESS LIABILITY RATES AND RULES APPROVED IN NEW JERSEY

BACKGROUND

MSO[®] has received approval of rate and rule revisions to its Personal Lines Excess Liability Manual which were requested by MSO companies and their reinsurers.

PROGRAM CHANGES

Changes to the manual involve rule wording revisions which add more coverage detail and broader category definitions. Some rating procedures are also revised. The overall rate increase is 18.9%.

Some of the rule revisions include the following:

- Under the “Scope of Coverage” rule, a more detailed explanation is provided.
- The “Ineligible Exposures” rule wording for some categories is revised to include broader category definitions and more detail.
- The “Minimum Required Underlying Primary Insurance Limits” rule is changed from a “CSL” to an “Each Occurrence” basis.
- The minimum premium is revised from \$150 to \$155.

Under the rating section, the Watercraft Liability definitions are revised.

EFFECTIVE DATE

December 1, 2005

DISTRIBUTION

The revised manual pages will be added to the CD-ROM. Affiliated companies will be able to access these through our website <http://www.msonet.com>.

QUESTIONS

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