



January 6, 2006

REVISED PERSONAL LINES UMBRELLA PROGRAM APPROVED IN DE, MD AND PA

BACKGROUND

We previously introduced the 2005 version of the Personal Lines program. We have now revised the umbrella form MPL 100 to track with changes in the Personal Lines Common Provisions Form MPL 01 as well as including other coverage revisions.

We are also introducing in these states MPL 80 which provides the umbrella coverage as an endorsement onto the underlying MSO[®] personal lines policy. The MPL 80 provides similar coverage but not exactly equivalent to the policy form MPL 100.

PROGRAM REVISIONS

The revision highlights include the following:

MPL 100

Pg 1, paragraph B.5.c

Increased the payment for time off from work from \$100 to \$250 per day.

Pg 2, Liability Not Insured / Exclusions

Added the term "Exclusions" to each for clarification.

Pg 2, Exclusion 1

Renumbered for clarity and added a provision that newly acquired aircraft, motor vehicles or watercraft must be reported within 30 days.

Pg 3, Exclusion 5

Included here in MPL 100 the same exclusion that is now contained in the underlying policy form MPL 01.

Pg 3, Exclusion 6

Included the fungi / mold exclusion here in MPL 100 that is provided by endorsement MPL 111.

Pg 3, Exclusion 7

Included new provisions B and C for items not intended to be covered such as fines and punitive damages.

**PROGRAM
REVISIONS (Cont'd.)**

Pg 4, Exclusion 13

Included a new personal injury exclusion for known falsehoods and incidents occurring before the policy period.

Pg 4, Exclusion 14

Moved provision C from the state mandatory endorsement to MPL 100.

Pg 6, paragraph 8.D

Included a provision to allow examination under oath. This is identical to the provision that applies under the underlying policy form MPL 01. This can be used as a means to combat fraud in liability claims.

Pg 8, Insured

Revised the definition to better convey the intent.

Included full time students away from home as insureds. This conforms to the provisions in the underlying policy form MPL 01.

Pg 8, Occurrence

Included a provision that occurrence does not include misrepresentation or omission in the sale of property.

Pg 8, You, Your & We, Us and Our

Moved definitions to the Glossary.

ENDORSEMENTS

MPL 111

This endorsement is withdrawn as the exclusion is now in the MPL 100.

State Mandatory Endorsements - MPL 102, MPL 106 and MPL 108

Revised to move material to MPL 100.

Manual Rules

Moved the state specific material from the general rules section to newly introduced state pages. Included a reference to MPL 80 in the general rules.

We also developed a sample policyholder notice for the program changes.

MSO ACTION

We are developing and will file a new endorsement that will mirror all of the provisions of the MPL 100.

**EFFECTIVE
DATE**

Immediately

DISTRIBUTION

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

QUESTIONS

Jan Kozlowski at (800) 935-6900 or e-mail to: jkozlowski@msonet.com.