



January 19, 2006

## **COMMERCIAL AUTO ADDITIONAL INSURED ENDORSEMENT AND MANUAL RULE INTRODUCED**

### **BACKGROUND**

Certain large retailers are requiring that they be named as additional insureds on their contractors' and distributors' auto policies. While the commercial auto policy would cover these entities through the vicarious liability provision (anyone liable for the conduct of an insured is covered), these retailers will not accept certificates of insurance.

We developed an additional insured endorsement MCA 104 that provides a mechanism to name additional insureds on the commercial auto policy. The coverage provided by MCA 104 is equivalent to the existing vicarious liability coverage. The new manual rule provides a \$25 additional premium for each additional insured named in the endorsement.

### **MSO<sup>®</sup> ACTION**

Endorsement MCA 104 and the manual rule have been filed and approved in Delaware, Maryland, New Jersey, Ohio and Pennsylvania.

### **EFFECTIVE DATE**

February 1, 2006.

### **DISTRIBUTION**

Endorsement MCA 104 and the manual rule will be added to the CD-ROM. Affiliated companies will be able to access it through our website: <http://www.msonet.com>.

### **QUESTIONS**

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