



June 19, 2007

NEW PERSONAL LINES ENDORSEMENT INTRODUCED IN NJ TO PROVIDE EXCLUSION UNDER COVERAGE B

BACKGROUND

We previously announced that we developed an optional use endorsement (MPL 141 04 07) for personal lines that excludes under Coverage B the property that is described in the endorsement. Since Coverage B is on a replacement cost basis, the endorsement is intended to exclude property that is not suitable for coverage. Examples would be structures that have minimal value due to their condition of disrepair such as a dilapidated shed or fence. Since the Coverage B limit is not reduced, there is no rate effect.

MSO[®] ACTION

We have now received approval of endorsement MPL 141 and the related manual rules in New Jersey.

EFFECTIVE DATE

June 15, 2007.

DISTRIBUTION

Endorsement MPL 141 and the revised manual pages will be added to the next CD-ROM. Affiliated companies may access the information on our website: www.msonet.com.

QUESTIONS

Contact Jan Kozlowski at (800) 935-6900.