



January 18, 2008

REVISED COMMERCIAL PROPERTY POLICIES APPROVED IN VIRGINIA

BACKGROUND

We have updated the Commercial Property Policies to build in the Virus Contamination Exclusion as well as other revisions.

PROGRAM CHANGES

This revision introduces new versions of the commercial property policy forms. The new (03 08) editions will replace the following policies: MCP 010 (07 06), MCP 014 (07 06), MCP 016 (07 06), MFP 032 (04 07), MFP 034 (09 06) and MFP 036 (09 06).

The revision highlights include the following:

GENERAL PROPERTY FORM - MCP 010

Part I B • Supplemental Coverages

Building Extension Coverages - Outdoor Sign Extension

Added sign posts and poles to the coverage extension.

Part I C • Cause of Loss Options

Reformatted the Causes of Loss Coverage Options.

Part I F • Losses Not Insured

Flood / Flooding Exclusion

Added “storm surge” for clarification.

Water Damage Exclusion

Revised wording to track with other MSO® commercial policies.

Wear, Tear and Other Specified Loss / Cause of Loss Exclusions

Added the Virus Contamination exclusion from endorsement MCP 401.

Part I H • Glossary

Computer Hacking - Added “computer worm, Trojan Horse, spyware and adware” to definition.

Part I • Common Exclusions

Government / Legal / War

Added “act or condition, whether actual or expected” to track with other MSO commercial policies.

**PROGRAM
CHANGES - Cont.**

ADDITIONAL CHANGES

Format revised to remove the bullet characters and replace with alpha or numerical characters. Also removed parenthesis around letters or numbers.

The words “above” or “below” used when referencing other text in the policy has been revised to say “in the preceding paragraph” or “in the following paragraph”. This change is being made as companies may reproduce the policies from their systems and due to different spacing, margins, etc., the items referred to may not always fall “above” or “below.”

Similar changes made to MCP 014, MCP 016, MFP 032, MFP 034 and MFP 036 as applicable.

ENDORSEMENTS

State Mandatory Endorsement - Virginia MCM 835 (12 05) is replaced by MCM 835 (01 08). The changes are editorial.

MCP 401 • Virus Contamination endorsement is no longer needed as this exclusion is built into the policies.

MANUAL PAGES

References to endorsement MCP 401 • Virus Contamination have been eliminated from the Commercial Property manual.

**EFFECTIVE
DATE**

March 1, 2008.

Previously approved in New Jersey, Pennsylvania, Delaware and Maryland effective December 1, 2007.

New York will be filed at a later date.

DISTRIBUTION

The revised Commercial Property policies, State Endorsement MCM 835, manual pages and policyholders’ notice will be added to the CD-ROM. Affiliated companies will be able to access these through our website: <http://www.msonet.com>.

QUESTIONS

Contact Pepper Treuvey at (800) 935-6900.