



April 11, 2008

REVISED COMMERCIAL UMBRELLA POLICY AND ENDORSEMENTS APPROVED

BACKGROUND

We have updated the Commercial Liability Umbrella Form (MCL 050) to build in the Virus Contamination Exclusion as well as other revisions. Revisions to several endorsements were made as well.

PROGRAM CHANGES

This revision introduces a new version of the Commercial Umbrella Liability Policy MCL 050. The new 03 08 edition replaces the 04 93 edition.

The revision highlights include the following:

COMMERCIAL UMBRELLA LIABILITY FORM - MCL 050

Section I • Liability Coverages

A. Insuring Agreement

Included language from endorsement MCL 756 • Known Injury of Occurrence Provisions to exclude coverage for losses or occurrences known to have occurred prior to the policy period. Endorsement MPL756 will be withdrawn.

“Employee” is italicized throughout the policy as it is now a defined term and has been added to the Glossary.

B. Exclusions

Revised the Government / Legal / War Exclusion to clarify that acts done to defend against was whether actual or expected are not covered.

Added an exclusion for violation of laws regarding unsolicited telephone calls and faxes.

Revised Personal Injury / Advertising Injury to include exclusions for an intentional injury type as well as new exclusions for high tech (e-commerce) advertising injury losses not intended to be covered.

Revised product recall wording to match underlying liability policies.

Exclusion also applicable to advertising injury. Clarified meaning of the term “waste.”

**PROGRAM
CHANGES - Cont.**

Built in exclusions from endorsements for Fungi/Mold (MCL 751), Silica (MCL 755) and Virus Contamination (MCL 757). These endorsements are being withdrawn from this program.

C. Defense of Claims or Suits

Replaced “above” with “the preceding.”

Section II • Limits of Insurance

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

Section III • Conditions

Added item D. under the “Duties in the Event of Occurrence or Offense, Claim or Suit” the insurer’s right to require an examination under oath, signed and sworn statements and the right to video tape any examination.

Section IV • Glossary

Added “trade dress” to the definition of advertising injury. Replaced “injury” with “harm” in the definition of bodily injury and reworded “impaired property” to match underlying GL policies. Added definitions for “employee”, “fungi”, “leased worker”, “temporary worker”, “rot and decay organisms.”

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.”

REVISED ENDORSEMENTS

The following endorsements have been revised. All have an edition date of 03 08.

MCL 702, MCL 706, MCL 708, MCL 709, MCL 713, MCL 714, MCL 716, MCL 717, MCL 719, MCL 727, MCL 729, MCL 730, MCL 732, MCL 734, MCL 735, MCL 744, MCL 745, MCL 746, MCL 747, and MCL 754.

STATE SPECIFIC ENDORSEMENTS

The state mandatory endorsements have been updated.

NOTE: Maryland Mandatory endorsement MCL 788 removes the Virus Contamination Exclusion as this exclusion is not currently permitted in Maryland.

**PROGRAM
CHANGES - Cont.**

WITHDRAWN ENDORSEMENTS

The following endorsements were withdrawn from this program as they are now built into the policy:

MCL 751 (01 02) Fungi/Mold Exclusions
MCL 755 (10 04) Silica Exclusion
MCL 756 (01 05) Known Injury or Occurrence Provision
MCL 757 (07 06) Virus Contamination Exclusions.

MANUAL PAGES

No changes to the manual rules and rates were filed.

**EFFECTIVE
DATE**

June 1, 2008 - Pennsylvania, Delaware and Indiana
Immediately in New Jersey and Pennsylvania as Commercial Umbrella is a non-filed line in those states.

DISTRIBUTION

The revised Commercial Umbrella Liability policy, endorsements 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.