



February 16, 2011

MANDATORY COMMERCIAL AUTO ENDORSEMENT REVISED IN RESPONSE TO OHIO SUPREME COURT DECISION

BACKGROUND

A recent Ohio Supreme Court decision (*Fed. Ins. Co. v Executive Coach Luxury Travel, Inc.*, Slip Opinion No. 2010-Ohio-6300) decided December 28, 2010 overturned Allen County Appellate County decision Nos. 1-09-17 and 1-09-18, 2009-Ohio-5910. In the December 28th decision, the Supreme Court determined that insured status under the defendant's Commercial Auto policy should be granted to the employee of a transportation company contracted for by the defendant. The Court ruled that the employee of the chartered bus company was operating the hired/nonowned vehicle "with permission" of the defendant and therefore that employee is an insured under the defendant's Commercial Auto policy.

MSO[®] ACTION

As this significant extension of coverage was never the intent of the Commercial Auto policy, nor was it ever anticipated in the rates, we submitted a filing to update the Commercial Auto Ohio State Mandatory endorsement MCA 844. The revisions to the endorsement amend the exclusions to "Who Is An Insured" for Coverage A - Liability To Others in the main policy MCA 010 to clearly state that insured status is not granted to the agents or employees of the owner or anyone else from whom the policyholder borrows or hires a covered auto.

EFFECTIVE DATE

Immediately

DISTRIBUTION

Revised endorsement MCA 844 (01 11) will be added to the CD-ROM. Affiliated companies will be able to access this through our website: <http://www.msonet.com>.

QUESTIONS

Contact Pepper Treuvey at (800) 935-6900.