



November 22, 2011

SELF STORAGE FACILITY BOP PROGRAM INTRODUCED IN PENNSYLVANIA

BACKGROUND

MSO® is continuing to build its portfolio of specialty Businessowners products. Our latest addition to this series is a Self Storage Facility BOP Program.

The program includes a self contained policy (BU 04 30 10 11), a Declarations Supplement (BU 04 31 10 11) and Manual Supplement pages.

The Self Storage Facility policy follows the format of the standard MSO BOP policy. This format combines all of the needed coverages for the usual property and liability exposures in one form. In the Self Storage Facility policy, the standard coverages are included as well as several specialty coverages designed to meet the unique needs of the Self Storage Facility insured. The MSO program contains the most common enhancements that are contained in the various Self Storage Facility programs available on the market.

PROGRAM HIGHLIGHTS

Part I - Property Coverages

Coverage A

Outdoor yard fixtures has been expanded to include gates and their locks or locking mechanisms.

Coverage B

Coverage for household personal property is included if the insured resides on the premises and the personal property is used for residential purposes. The limits on specific types of property are shown in the Declarations Supplement and are not available for increase.

Coverage C

Loss of Income includes the reduction in rental income for storage units rented or leased to customers because of a loss.

**PROGRAM
HIGHLIGHTS -
Continued**

Supplemental Coverages

Dwelling Loss Of Use Coverage if the insured resides on the premises.

Lock Replacement Coverage - The basic limit is \$1,000 and may be increased.

Pollution Clean Up Cost has been expanded to cover the accidental spilling of pollutants stored by a customer.

Property Not Covered

Certain specific property is not covered such as furs, jewelry and antiques. However, a basic amount of coverage is added back for certain personal property under the household personal property coverage.

Losses Not Insured

The Water Damage Exclusion has been clarified to also exclude the discharge of sewers or water mains originating off the described premises.

Part II - Liability

Supplemental Coverages

Defense Coverage

Defense coverage has been expanded to include damages from the sale, removal or disposal of customers' property due to a lock out.

Legal Liability For Customers' Goods.

The basic limits are - \$10,000 per occurrence and \$25,000 annual aggregate. Higher limits are available.

Personal Injury/Advertising Injury Exclusion

Updated to include more current terms such as an internet blog site, message board, or social media site hosted, owned or sponsored by an insured.

Removal and Disposal Upon Lock Out or Sale Coverage

The basic limits are - \$10,000 per occurrence / \$25,000 annual aggregate. Higher limits are available.

Losses Not Insured

The Pollution / Environmental Damage Exclusion includes pollutants brought to the facility by customers.

Common Glossary

Lock Out and **Customer** are defined terms.

**PROGRAM
HIGHLIGHTS -
Continued**

SUPPLEMENTAL MANUAL PAGES

The Supplement pages include the eligibility, rating & rules specific to the self storage program. The program uses the Office rates from the BOP manual for the building & contents rates.

Unless specifically addressed in the Self Storage Manual Supplement, the rates & rules in the standard BOP manual apply.

EFFECTIVE DATE

Pennsylvania - January 1, 2012
Pending in New Jersey, Delaware & Maryland.

DISTRIBUTION

The Self Storage Facility BOP policy, Declarations Supplement and Manual Supplement will be added to the CD-ROM. Affiliated companies will be able to access this through our website: <http://www.msonet.com>.

**FUTURE MSO
ACTION**

We will announce the introduction of the program in other states as filings are approved.

**COMPANY
MODIFICATIONS**

MSO is available to assist in modifying the new Self Storage Facility program to meet individual company needs and to make any needed filings.

QUESTIONS

Contact Pepper Treuvey, AU at (800) 935-6900.