



March 06, 2012

SELF STORAGE FACILITY ENDORSEMENT ADDED TO THE BOP PROGRAM IN MARYLAND

BACKGROUND

Several months ago, MSO® announced the introduction of a Self Storage Facilities BOP Program as its latest addition to a portfolio of specialty Businessowners products. This program consisted of a stand-alone policy (BU 04 30), Supplemental Declarations (BU 04 31) and Manual Supplement.

In order to provide our members with more flexibility, we have created an endorsement version of the Self Storage Facilities BOP policy that may be attached to either BU 04 01 (expanded perils) or BU 04 02 (named perils) Businessowners policies.

The endorsement, Coverage for Self Storage Facilities (BU 04 32), includes all of the coverages contained in the stand alone version.

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.

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.

**PROGRAM
HIGHLIGHTS -
Continued**

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.

SUPPLEMENTAL MANUAL PAGES

The Manual Supplement has been updated to include a reference to endorsement BU 04 32. The same rates and rules apply to the endorsement version as apply to the stand alone version.

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

**MANDATORY
ENDORSEMENT**

The Maryland State Mandatory Endorsement was recently updated to comply with a request by the Maryland Insurance Administration. BU 08 40 (02 12) replaced BU 08 40 (10 09). The new version should be used with all Businessowners policies in Maryland.

EFFECTIVE DATE

April 1, 2012 - Maryland
Previously approved in Pennsylvania
Pending in New Jersey & Delaware.

DISTRIBUTION

The Self Storage Facility BOP endorsement and revised 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.