SELF STORAGE FACILITY ENDORSEMENT ADDED TO THE BOP PROGRAM IN NEW JERSEY

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.

EFFECTIVE DATE   April 1, 2012 - New Jersey
                            Previously approved in Pennsylvania and Maryland effective April 1, 2012.
                            Pending in 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   We will announce the introduction of the program in other states as filings are
ACTION   approved.

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

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