



August 01, 2013

DRY CLEANERS & FUNERAL DIRECTORS BOP PROGRAMS INTRODUCED IN MARYLAND

BACKGROUND

MSO® is continuing to build its portfolio of specialty products. Our latest additions to this series are enhancement endorsements for Dry Cleaners and Funeral Directors.

Coverage For Dry Cleaners (BU 04 36 03 13), Declarations Supplement - Dry Cleaners (BU 04 37 03 13), Coverage For Funeral Directors (BU 04 38 03 13) and Declarations Supplement - Funeral Directors (BU 04 39 06 13) are designed to be used with the Businessowners Program. Each program has Supplemental manual pages for the rules and rates.

The two new programs provide many of the needed additional coverages usual for a dry cleaner or funeral director.

HIGHLIGHTS

Coverage For Dry Cleaners - BU 04 36 (03 13)

- **Loss of Business Income Coverage** - Coverage C is extended to cover the earned charges the dry cleaner earns from cleaning customers' property. An option is available to extend customers' property to include rugs, carpets, draperies, blinds and curtains.
- **Customers' Property Coverage** - The coverage for customers' property is split into two groups: The normal types of property accepted for cleaning has a basic limit of \$1,000 with the option to increase. A special group for rugs, carpets, draperies, blinds and curtains is available at the limits purchased. Both groups are subject to a standard \$500 deductible with an option for a \$1,000 deductible.

Coverage for customers' property is provided while at the insured's premises, at a subcontractor's premises or in transit. Per item limits apply and may be increased.

- **Storage Operations Coverage** - An option to extend Coverage B to include customers' property stored at the insured's premises is available. Basic per item limit is \$500 with increase options available.
- **Dry Cleaning Fluids Clean Up Cost** - \$10,000 aggregate limit provided subject to a \$500 deductible. Coverage is provided for spills and leaks of dry cleaning fluids on the described premises.
- **Collapse of Racks** - \$10,000 limit provided subject to a \$500 deductible. Coverage is provided for collapse of racks that move the dry cleaning property through the premises by mechanical motors.

HIGHLIGHTS - Cont.

Coverage For Funeral Directors - BU 04 38 (03 13)

- **Funeral Directors' Professional Liability Coverage** - Coverage is extended to coverage the professional liability of funeral directors. The flat \$75 charge is based on a policy with Coverage E limits of \$300,000. Factors are available for policies with \$500,000, \$1,000,000 and \$2,000,000 limits.
- **Burial Caskets** - Coverage B is extended to cover loss to nonowned burial caskets that the insured holds for sale or display. The basic limit is \$10,000 with a per casket limit of \$1,000. A \$500 deductible applies. Optional higher limits and deductibles are available.
- **Embalming Fluids Clean Up Cost** - A limit of \$10,000 is provided to clean up embalming fluids that have spilled or leaked on the described premises.

The Funeral Directors Professional Liability Endorsement (BU 01 95) may not be used with Coverage For Funeral Directors (BU 04 38) as professional liability is provided in BU 04 38.

Declarations Supplements

The Declarations Supplements for Dry Cleaners (BU 04 37 03 13) and Funeral Directors (BU 04 39 06 13) list the Supplemental Coverages and display the basic limits. These Declarations Supplements are used in lieu of Businessowners Declarations Supplement BU 04 03.

Manual Supplements

The manual supplements for Dry Cleaners and Funeral Directors display the coverages, limits and options available as well as the rating procedures.

Unless specifically addressed in the Dry Cleaners or Funeral Directors Manual Supplement, the rates & rules in the Businessowners Manual apply.

EFFECTIVE DATE

Immediately - Maryland
Approvals were previously approved in NJ & PA, effective April 1, 2013

DISTRIBUTION

The Dry Cleaners and Funeral Directors endorsements, Declarations Supplements and manual supplements 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 programs to meet individual company needs and to make any needed filings.

QUESTIONS

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