



September 15, 2003

REVISIONS MADE TO COMMERCIAL LINES FUNGI/MOLD COVERAGE IN MARYLAND

BACKGROUND

The Maryland Insurance Administration issued Bulletin 03-12 on July 27, 2003 which rescinds the March 18, 2003 Order on mold. The new order now allows insurers to exclude mold coverage. The previous order mandated that insurers offer limited mold coverage. At that time, MSO® filed commercial liability endorsements MCL 883 and MCL 884 which provided limited mold liability coverage as required in the March 18, 2003 order.

MSO ACTION

MSO has withdrawn endorsements MCL 883 and MCL 884 and reinstated endorsement MCL 183 • Fungi/Mold Exclusions - Liability - Part II. Endorsement MCL 183 may be used with the Commercial Liability, Businessowners, Special Contractors, Farmowners, Garage and House of Worship programs.

Property damage caused by mold is excluded in the MSO policies, however, we have filed an endorsement (Fungi/Mold Limited Coverage - Part I • MCP 141) and accompanying rates to provide property coverage in limited amounts for fungi/mold losses. MCP 141 may be used with the Commercial Property, Businessowners, Special Contractors, Farmowners, Garage and House of Worship programs.

EFFECTIVE DATE

October 1, 2003

DISTRIBUTION

Endorsements MCL 183, MCP 141 and the accompanying manual rules/rates will be included in the next CD-ROM update. Affiliated companies can access this through our website <http://www.msonet.com>. Send your order for printed supplies of the (form/endorsement) by mail, fax or phone to Tammy Bechtel or e-mail: supplies@msonet.com.

QUESTIONS

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