



January 13, 2004

REVISED COMMERCIAL UMBRELLA RULE AND RATE MANUAL APPROVED IN PENNSYLVANIA AND DELAWARE

- BACKGROUND** At the request of a number of MSO[®] affiliated companies, we have amended the Commercial Umbrella program rule and rate manual. This 2003 manual replaces the current version which dates back to 1994. Revisions to the rates and rules were based on changes suggested by reinsurers.
- PROGRAM CHANGES** Among the changes implemented with this update are a reformatting of the ineligible exposure rules, the addition of a policy term rule, and amendments to the minimum required underlying liability limits rule, rating procedures and minimum premiums. Additionally, a new territory definition rule was added for use with the hotel and motel rating procedures, along with a new premium modification rule, and the classification table was deleted. An overall rate decrease of 20.8% was also implemented.
- This updated manual has been approved for use in Pennsylvania and Delaware. Filings are still pending in Maryland and Indiana.
- EFFECTIVE DATE** February 15, 2004
- DISTRIBUTION** The revised manual rates and rules will be included in the next CD-ROM update. Affiliated companies can access this through our website: <http://www.msonet.com>. Send your orders for printed supplies by phone, fax or e-mail to: supplies@msonet.com.
- QUESTIONS** Contact Dennis Carrigan at (800) 935-6900 or e-mail dcarrigan@msonet.com.