



May 2, 2005

REVISED COMMERCIAL AUTO PHYSICAL DAMAGE RATE LEVEL INTRODUCED IN NEW JERSEY

BACKGROUND

We recently reviewed the commercial auto rate experience in New Jersey. Based on company consensus, we filed a revised rate level for the physical damage coverages with the New Jersey Department of Banking and Insurance. We did not revise the liability rates.

RATE CHANGE

We filed for a +20.08% increase in comprehensive rates and a capped +25% increase in collision rates for trucks and private passenger types.

EFFECTIVE

The revised rate level may be implemented immediately.

DISTRIBUTION

The revised manual pages will be added to the CD-ROM. Affiliated companies will be able to access these on our website: <http://www.msonet.com>.

QUESTIONS

Contact Jan Kozlowski at (800) 935-6900 or e-mail jkozlowski@msonet.com.