



December 14, 2006

REVISED COMMERCIAL FARM PROPERTY PROGRAM APPROVED

BACKGROUND

We have updated the Commercial Farm Property Program. The new 2006 program will replace the current program.

PROGRAM CHANGES

This revision introduces new versions of the three policy forms (MFP 032, MFP 034 and MFP 036) as well as revisions to various endorsements and several manual pages.

Most of the language changes are editorial in nature. Several changes are broadenings, while others are restrictions. Overall, these changes are being introduced without any changes in rate level.

The revision highlights include the following:

GENERAL FARM PROPERTY FORM - MFP 032

- Included a reference to “tangible” under Coverage B • **Unscheduled Household Personal Property** to convey the intent that this does not include intellectual or other intangible property.

- **Part I B • Supplemental Coverages**
Section reformatted. Coverage provided is an additional amount of insurance unless otherwise indicated.
 - **Building Code/Law Coverage** - Included references to other pollutant type items and contaminants in the governmental action portion of the exclusion. The costs and expenses arising out of responding to a governmental directive should not trigger Building Code Coverage. These are items which are not otherwise covered in the policy.
 - **Collapse** - Added collapse as a Supplemental Coverage. Previously, collapse was listed under covered perils. The Supplemental Coverage provides a clearer description of the coverage intended. Collapse is also now a defined term in the Glossary.
 - **Fire Extinguisher Recharge Expense** - New coverage.

**PROGRAM
CHANGES
(Continued)**

- **Part I E • Property Loss Limitations**
 - Disappearance of Property - Added reference to “appropriation, shoplifting and pilferage.”
 - Additional exclusions added for computer hacking and computer virus. Included as defined terms in the Glossary.
 - Freezing of Appliances or Other Equipment Exclusion - Included the word “adequate” to heat required to be maintained in the building.
 - Water Damage Exclusion - Included “sewage” and “overflow from a sump.” Also extended the optional coverage as provided by trigger endorsement MCP 507 to provide coverage for sewage and overflow from a sump.
 - Wear and Tear Exclusion - Refined the mold exclusion to also include fungus and mold-like items such as spores, mildew, bacteria and other natural growth. Included a definition of fungi in the Glossary. Added “raccoons” to the list of excluded creatures. Included “rock slides or rock falls” with other types of land movement.
 - Weather Related Exclusion - Added an exclusion for drought.

- **Part I G • Special Part I Conditions**

Revised the Appraisal Condition to use “disinterested” rather than “impartial.”

- **Part I H • Glossary**
 - Included definitions for “collapse”, “computer hacking”, “computer virus”, “fungi” and “rot and decay organisms.”
 - Updated the definition of “insureds” to include the spouses relatives if a resident of the household, “livestock” to include alpacas and “money/securities” to include prepaid phone cards and stored value cards.
 - You/your - Revised the definition to define named insured.

- **Part I • Common Conditions**
 - Coverage Territory - Included the District of Columbia.

**FARM MOBILE EQUIPMENT FORM - MFP 034
LIVESTOCK FORM - MFP 036**

Changes similar to MFP 032 as applicable.

ENDORSEMENTS - Supplemental Declarations MFP 033, MFP 35 and MFP 37 have been updated to include a \$1,000 limit for Fire Extinguisher Recharge Expenses. MCP 019 which lists the trigger endorsements has been updated to include trigger endorsements found in the Commercial Farm policies.

**PROGRAM
CHANGES
(Continued)**

MANUAL PAGES - Revisions to page CP Manual pages 132 and Endorsement Listing page 7 to include references to endorsements previously omitted.

**EFFECTIVE
DATE**

April 1, 2007 in New Jersey, Pennsylvania, Delaware and Maryland.
Virginia versions of the three main policies previously approved.

DISTRIBUTION

The revised policies, endorsements, manual pages and policyholders notices will be added to the CD-ROM. Affiliated companies will be able to access these through our website: <http://www.msonet.com>.

QUESTIONS

Contact Pepper Treuvey at (800) 935-6900 or e-mail: ptreuvey@msonet.com.