



May 3, 2007

MANDATORY ENDORSEMENTS REVISED IN NJ TO INCLUDE CIVIL UNIONS AND AMENDED FLOOD WORDING

BACKGROUND

We have revised the various commercial and personal lines mandatory endorsements in New Jersey. The revised endorsements are:

- BU 08 20 03 07 (applicable to the BOP)
- MCA 820 03 07 (applicable to Commercial Auto)
- MCL 790 03 07 (applicable to Commercial Umbrella)
- MCM 820 03 07 (applicable to Commercial Property, Commercial Liability, Contractors, House of Worship, Garage)
- MFO 800 03 07 (applicable to Farmowners)
- MPL 95 03 07 (applicable to Personal Lines)

The New Jersey Department of Banking and Insurance has now approved these endorsements.

CHANGES

In all of the endorsements, we have added a provision extending insured status to civil union partners conforming to the requirements of the NJ Civil Union Act.

In BU 08 20, MCL 790, MCM 820, MFO 800 and MPL 95, we are amending the mailing of cancellation or nonrenewal provision in the Cancellation condition to clarify that the notice of cancellation is mailed to the mortgagee. This tracks with NJAC 11:1-20.2 (d).

We are also amending the flood exclusion to better convey its intended scope of coverage by adding specific reference to storm surge in MCM 820, MFO 800 and MPL 95.

In the MCM 820 and MFO 800, we are also adding wording to make it clear that the flood exclusion applies to losses resulting from either natural or human made causes

In the MPL 95, we are also adding wording to make it clear that a “flood” type loss is not covered whether or not resulting from rain, snow, or other conditions of the weather.

FUTURE ACTION

We have filed to add the flood wording changes to the main BOP forms included as part of the 2007 BOP revision. This filing is still pending.

**POLICYHOLDER
NOTICES**

We have developed sample policyholder notices for each of the revised endorsements.

**EFFECTIVE
DATE**

May 1, 2007. However, the NJ Civil Union Act requires that all legal benefits of spouses must apply to civil union partners as of February 19, 2007.

DISTRIBUTION

The revised endorsements and the policyholder notices will be added to the next CD-ROM. Affiliated companies may access the information on our website: www.msonet.com.

QUESTIONS

Contact Jan Kozlowski at (800) 935-6900.