



September 16, 2008

## **INTRODUCTION OF NEW HOMEOWNERS COVERAGE FORM - MHO 5**

### **BACKGROUND**

MSO<sup>®</sup>, Inc. is introducing a new optional Homeowners coverage form MHO 5. This coverage form (MHO 5) provides “all risk” coverage on contents (Coverage C) as well as Coverage A and B. It also provides replacement cost on contents (Coverage C).

MHO 5 is equal to policy form MHO 3 with endorsements MPL 18 • COVERAGE C EXTENDED CAUSES OF LOSS and MPL 49 • REPLACEMENT COVERAGE — EXTENDED OPTION attached. Limited coverage for the removal of fallen trees that block access ways but do not cause property damage has been added as an enhancement.

The rating factor of 1.35 (1.45 in New Jersey) is equal to the combined factors for MPL 18 and MPL 49. The introduction of MHO 5 is to give our member companies the option of offering additional coverages under a single coverage form instead of attaching several endorsements.

### **MSO ACTION**

We filed and received approval of the Homeowners Coverage Form MHO 5 in Delaware, Maryland, New Jersey, and Pennsylvania.

### **EFFECTIVE DATE**

January 1, 2009 in Delaware, Maryland, New Jersey and Pennsylvania. Filing currently pending in Ohio.

### **ENDORSEMENTS CHANGED**

With the introduction of MHO 5, three personal property endorsements were updated. The Replacement Coverage Option in MPL 15, MPL 16 and MPL 17 has been revised to include a reference to Coverage Form MHO 5.

### **DISTRIBUTION**

MHO 5 (01 09) and revised endorsements MPL 15 (01 09), MPL 16 (01 09) and MPL 17 (01 09) will be added to the CD-ROM. Affiliated companies will be able to access this through our website: <http://www.msonet.com>.

### **QUESTIONS**

Contact Pepper Treuvey at (800) 935-6900.