



February 22, 2010

## **GREEN UPGRADE COVERAGE ENDORSEMENT APPROVED FOR COMMERCIAL PROPERTY PROGRAM IN MARYLAND**

- BACKGROUND**            The trend in building construction has been moving towards the use of more energy efficient and environmentally friendly products and materials. In response to this growing trend towards “green” buildings, MSO has developed a Green Upgrade Supplemental Coverage endorsement.
- MSO ACTION**            MCP 142 (02 10) and the accompanying rule 14.7 was filed and approved for the Commercial Property Program in Maryland and is pending in New Jersey, New York and Delaware. Filings were previously approved in Pennsylvania.
- COVERAGE HIGHLIGHTS**            Green Upgrade Supplemental Coverage endorsement MCP 142 provides the following:
- An additional limit (5% of the Coverage A limit) for the additional costs to repair or replace damaged property with “green” property that meets the standards of a “green authority.”
  - A sub-limit of 25% of the additional amount of coverage may be used for green related costs such as design and engineering professional fees, re-certification fees and ventilation expenses.
  - An extension to the period of indemnity for up to 30 days when the restoration time is increased due to the additional time required to make repairs or replace property with “green” materials.
- EFFECTIVE DATE**            April 1, 2010 - Maryland and Pennsylvania.
- DISTRIBUTION**            Endorsement MCP 142 (02 10) and CP rule 14.7 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.