



May 16, 2012

JANITORIAL OPERATIONS ENHANCEMENT ENDORSEMENT FOR SPECIAL CONTRACTORS PROGRAM INTRODUCED IN NEW JERSEY & MARYLAND

BACKGROUND

MSO® is continuing to build its portfolio of specialty products. Our latest addition to this series is an enhancement endorsement for Janitorial Operations.

Janitorial Operations Enhancement Endorsement (MSC 120 05 12), Declarations Supplement - Janitorial Operations (MSC 012 05 12) and the Janitorial Operations Enhancement manual supplement are designed to be used with the Special Contractors Program.

The Janitorial Operations Enhancement Endorsement provides many of the needed additional coverages usual for a smaller residential/commercial cleaning service.

HIGHLIGHTS

Janitorial Operations Enhancement Endorsement - MSC 120 (05 12)

Lock Replacement - \$500 Annual Aggregate

Coverage is provided to replace keys or re-key locks at the premises where the insured provides janitorial services if the key has been stolen from the insured or an employee of the insured. The police must be notified for coverage to apply.

Police Department Fee - \$100 Annual Aggregate

Provides coverage for the fee that the police may charge for responding to a burglar alarm accidentally activated by the insured or an employee of the insured.

Employee Dishonesty Coverage - \$5,000

Provides coverage for the insured for losses caused by dishonest acts of its employees. Optional limits of \$10,000 & \$15,000 available.

Accounts Receivable - Limit increased from \$3,000 to \$10,000.

Valuable Papers/Records - Limit increased from \$3,000 to \$10,000.

Property Damage Liability Extension - \$2,500 (\$250 deductible)

Provides care, control, custody coverage if the client's property is damaged while being worked on by the insured or employees of the insured. Additional limits and deductibles available.

HIGHLIGHTS - Cont.

Additional Insured

The definition of **Insured** is amended to provide additional insured status to clients of the insured, but only with respect to liability arising out of the insured's work for the client.

Janitorial Operations Definition

Janitorial Operations is a defined term and means the insured's work involving cleaning. This includes: cleaning of restrooms, dusting, mopping, sweeping and vacuuming of the floors; trash removal from each area of the premises; and other operations, which may include scheduled floor polishing and cleaning of carpets, draperies, upholstery or windows.

Supplemental Declarations - Janitorial Operations - MSC 012 (05 12)

Lists the Supplemental Coverages and displays the basic limits. This Supplemental Declarations is used in lieu of Special Contractors Supplemental Declarations MSC 011.

Janitorial Operations Enhancement Manual Supplement

The Supplement pages include the eligibility, rating & rules specific to the janitorial program.

Unless specifically addressed in the Janitorial Operations Enhancement Manual Supplement, the rates & rules in the standard Special Contractors manual apply.

EFFECTIVE DATE

New Jersey & Maryland - July 1, 2012
Previously approved in Pennsylvania effective July 1, 2012. Pending in Delaware.

DISTRIBUTION

The Janitorial Operations Enhancement Endorsement, Declarations Supplement and Manual Supplement will be added to the CD-ROM. Affiliated companies will be able to access this through our website: <http://www.msonet.com>.

FUTURE MSO ACTION

We will announce the introduction of the program in other states as filings are approved.

COMPANY MODIFICATIONS

MSO is available to assist in modifying the new Janitorial Operations program to meet individual company needs and to make any needed filings.

QUESTIONS

Contact Pepper Treuvey, AU at (800) 935-6900.