

June 4, 2003

## **LIMITATIONS OF FUNGI/MOLD LIABILITY COVERAGE APPROVED FOR COMMERCIAL LINES IN NEW JERSEY**

<b>BACKGROUND</b>	We previously received approval for endorsement MCL 883 • Fungi / Mold Limitations - Liability - Part II. This endorsement applies to policies that provide bodily injury, property damage, advertising injury and personal injury. Some of the commercial lines policies do not provide advertising injury and personal injury.
<b>MSO® ACTION</b>	MSO has received approval for endorsement MCL 884 04 03. This endorsement is identical to MCL 883 but does not reference advertising injury and personal injury. MCL 884 and the accompanying rules may be used with the Commercial Liability, Businessowners, Farmowners, Special Contractors, House of Worship and Garage programs.
<b>DEPARTMENT REQUIREMENTS</b>	<p>Notification must be sent to policyholders offering the option to buy higher limits.</p> <p>Companies must file rates for the higher limit options with the Department.</p>
<b>STAT PLAN CHANGES</b>	<p>The Department is requiring that companies begin capturing premium and loss mold data in the statistical format currently in use for other lines.</p> <p>We have introduced Liability Cause of Loss Code 45 in the MSO Stat Plan for liability mold losses.</p>
<b>EFFECTIVE DATE</b>	June 1, 2003
<b>POLICYHOLDER NOTICE</b>	A suggested policyholders notice is attached.
<b>DISTRIBUTION</b>	A copy of MCL 884 04 03 and manual rules and policyholders notice are included for users of the program and will be included on the next CD-ROM update. Send your order for printed supplies of the endorsement by mail, fax or phone to Tammy Bechtle or e-mail: <a href="mailto:supplies@msonet.com">supplies@msonet.com</a> .
<b>QUESTIONS</b>	Contact Pepper Treuvey, AU at (800) 935-6900 or e-mail: <a href="mailto:ptreuvey@msonet.com">ptreuvey@msonet.com</a> .