



June 15, 2005

SWIMMING POOL RULE INTRODUCED FOR BUSINESSOWNERS IN DELAWARE

BACKGROUND

We are introducing a rule to rate risks with swimming exposures. In the MSO[®] General Liability program, there is an additional premium rule for a risk that has a swimming pool or bathing beach exposure on the premises. There is no similar rule in the BOP manual.

Typically, the BOP eligible risks that would have such an exposure would be apartments and condominiums. However, insurers are hesitant to write these on a BOP as there is the significant exposure of the pool / beach but without the correlated premium charge. The rate in the BOP is the same as that in the GL program, but reduced 20% to reflect the “package” modification.

ADOPTION

We are deeming the filing into effect in Delaware. We previously announced the introduction of this rule in Maryland, New Jersey and Pennsylvania.

EFFECTIVE DATE

June 15, 2005

DISTRIBUTION

The revised manual pages will be added to the CD-ROM. Affiliated companies can access these through our website: <http://www.msonet.com>.

QUESTIONS

Contact Jan Kozlowski at (800) 935-6900 or e-mail: jkozlowski@msonet.com.