



July 1, 2020

BUSINESSOWNERS PROGRAM REVISIONS APPROVED IN PENNSYLVANIA

BACKGROUND

To enhance the MSO® Businessowners program, we have revised the main policy forms and manual. A number of supplemental declarations and endorsements have also been modified to align with changes in the coverage forms. In addition, the revision includes seven new endorsements.

Changes include:

- A simplified approach to coverage for building glass in Part I
- Clarification that unmanned aerial vehicles (drones) are considered aircraft
- Formatting standardizations
- Verbiage modernizations

Broadenings of coverage include:

- Off Premises Coverage applies at a rental storage unit
- Broader coverage under Credit Card / Forgery / Counterfeit Money Coverage
- Broader coverage under Alcoholic Beverage Coverage in Part II
- New Part I Supplemental Coverages have been added for Fraudulent Transfer of Funds and Lock Replacement

Previously filed and approved exclusions for Data Breach, Electronic Aggression, and Fracking are now incorporated into coverage forms.

The manual has been updated with corresponding rules. There is no premium impact from these changes.

A detailed summary of changes is available upon request.

MSO ACTION

MSO has filed and received approval for the following:

Revised Coverage Forms

- BU 04 01 01 20 – Businessowners Policy
- BU 04 02 01 20 – Named Perils – Businessowners Policy
- BU 04 06 01 20 – Condo Association BOP Policy
- BU 04 07 01 20 – Named Perils – Landlord’s BOP Policy
- BU 04 09 01 20 – Landlord’s Expanded BOP Policy
- BU 04 15 01 20 – Bed & Breakfast BOP Policy
- BU 04 30 01 20 – Self Storage Facility BOP Policy
- BU 04 57 01 20 – Craft Brewery BOP Policy
- BU 08 01 01 20 – Businessowners – Home Business Policy

Revised Coverage Endorsements

- BU 02 86 06 20 – Condominium Coverage for Condominium Associations

BU 04 17 01 20 – Coverage for Bed & Breakfasts
 BU 04 20 01 20 – Coverage for Restaurants
 BU 04 32 01 20 – Coverage for Self Storage Facilities
 BU 04 36 01 20 – Coverage for Dry Cleaners
 BU 04 38 01 20 – Coverage for Funeral Directors
 BU 04 40 01 20 – Coverage for Pet Services
 BU 04 43 01 20 – Coverage for Nail Salon Services
 BU 04 45 01 20 – Coverage for Tattooing Services
 BU 04 47 01 20 – Coverage for Day Spa Services
 BU 04 49 01 20 – Coverage for Home Care Services
 BU 04 51 01 20 – Coverage for Makeup Artist Services
 BU 04 53 01 20 – Coverage for Personal Fitness / Wellness Coaching Services

Revised Declarations Supplements

BU 04 03 01 20 – Declarations Supplement
 BU 04 04 01 20 – Declarations Extension
 BU 04 08 01 20 – Landlord's BOP Declarations Supplement
 BU 04 10 01 20 – Landlord's Expanded BOP Declarations Supplement
 BU 04 13 01 20 – Declarations Supplement – Named Perils
 BU 04 16 01 20 – Declarations Supplement – Bed & Breakfast BOP
 BU 04 21 01 20 – Declarations Supplement – Restaurant
 BU 04 23 01 20 – Declarations Supplement – Condo Associations
 BU 04 24 01 20 – Declarations Supplement – Restaurant – Named Perils
 BU 04 31 01 20 – Declarations Supplement – Self Storage Facility
 BU 04 37 01 20 – Declarations Supplement – Dry Cleaners
 BU 04 39 01 20 – Declarations Supplement – Funeral Directors
 BU 04 41 01 20 – Declarations Supplement – Pet Services
 BU 04 42 01 20 – Home Business Declarations Supplement – Pet Services
 BU 04 44 01 20 – Declarations Supplement – Nail Salon Services
 BU 04 46 01 20 – Declarations Supplement – Tattooing Services
 BU 04 48 01 20 – Declarations Supplement – Day Spa Services
 BU 04 50 01 20 – Home Business Declarations Supplement – Home Care Services
 BU 04 52 01 20 – Home Business Declarations Supplement – Makeup Artist Services
 BU 04 54 01 20 – Home Business Declarations Supplement – Personal Fitness / Wellness Coaching Services
 BU 04 58 01 20 – Declarations Supplement – Craft Brewery
 BU 08 03 01 20 – Home Business Declarations Supplement

Revised Endorsements

BU 01 40 01 20 – Hired / Non-Owned Automobile Liability – Part II
 BU 01 80 01 20 – Real Estate Agents / Brokers – Part II
 BU 01 83 01 20 – Contractors New York State Bodily Injury Limitation – Part II
 BU 01 84 01 20 – Fungi / Mold Limited Coverage – Part II
 BU 01 85 01 20 – Building Code / Law – Blanket Insurance Condition – Part I
 BU 01 93 01 20 – Barber or Beauty Shop Professional Liability – Part II
 BU 01 97 01 20 – Liquor Law Liability for Package Stores – Part II
 BU 02 42 01 20 – Protective Safeguards – Hood and Duct Protection – Part I
 BU 02 51 01 20 – Windstorm and Related Damage Deductible – Part I
 BU 02 60 01 20 – Functional Replacement Condition – Coverage A – Part I
 BU 02 61 01 20 – Functional Replacement Condition – Coverage B – Part I
 BU 02 72 01 20 – Forgery or Alterations Crime Coverage (Form B) – Part I

BU 02 91 01 20 – Accounts Receivable Coverage – Condominiums – Part I
 BU 03 20 01 20 – Crime Common Provisions – Part I
 BU 03 27 01 20 – Additional Insured – Appointed / Elected Officials – Part I
 BU 03 37 01 20 – Blanket Additional Insureds – Contractors / Lessees / Owners –
 Primary and Non-Contributory Liability Basis Including Products / Completed
 Operations – Part II
 BU 03 38 01 20 – Additional Insureds – Contractors / Lessees / Owners – Primary
 and Non-Contributory Liability Basis Including Products / Completed Operations
 – Part II
 BU 03 39 01 20 – Additional Insureds – Landlords – Primary and Non-
 Contributory Liability Basis – Part II
 BU 03 70 01 20 – Computer Coverage
 BU 03 75 01 20 – Indoor Glass Breakage Coverage – Part I
 BU 04 05 01 20 – Change Endorsement
 BU 08 10 01 20 – Mandatory Endorsement – Pennsylvania
 BU 08 11 01 20 – Mandatory Condominium Association Endorsement –
 Pennsylvania

New Optional Endorsements

BU 01 66 01 20 – Volunteer Firefighters Injury Exclusion – Part II
 BU 01 70 01 20 – Athletics / Sports Participant Exclusion – Part II
 BU 02 02 01 20 – Waiver – Designated Persons / Organizations – Part II
 BU 03 18 01 20 – Additional Insured – Club Members – Part II
 BU 04 55 06 20 – Employee Benefits Liability Coverage – Pennsylvania
 BU 04 56 06 20 – Employee Benefits Liability - Supplemental Declarations -
 Pennsylvania
 BU 05 28 01 20 – Building Glass Limited Coverage for Vandalism – Part I

COMPANY ACTION

These form versions replace prior versions. If the Company chooses not to adopt the current versions, they should notify the Pennsylvania Insurance Department.

The Insurance Department requests that we inform Companies, consistent with Title 31 Pa. Code:

- For renewal policies, notice must be provided to insureds of restrictions in coverage. (Sample policyholder notices are available from MSO.)
- Declarations pages and policy cover pages must indicate whether the Company participates or does not participate in paying dividends to policyholders.

MSO is available to assist with filings.

EFFECTIVE DATE

October 1, 2020

DISTRIBUTION

The new Businessowners forms, endorsements, and manual will be added to our website: <https://www.msonet.com> for affiliated company access.

QUESTIONS

Contact [Mary Beegle](#) at (800) 935-6900.