EXPLANATORY MEMORANDUM

VEHICLE WRAP COVERAGE ENDORSEMENT

The referenced companies (the “Companies”) are introducing the Vehicle Wrap Coverage Endorsement, Form No. 121842, to be used with ISO’s Business Auto Coverage Form filed and approved with the Department.

The endorsement provides replacement cost coverage up to $1,000 for a loss to a vehicle wrap that is installed on the covered auto. There is no premium charge for this endorsement.

This endorsement is mandatory.