

PLEASE READ THIS ENDORSEMENT CAREFULLY AS IT MODIFIES THE POLICY.

SPECIAL PROVISIONS – MISSOURI

The sections of the policy listed below are amended as specified.

SECTION I – EXCLUSIONS

Exclusion **8. Intentional Loss** is deleted and replaced with the following: (This is Exclusion **A.8.** in Form **HG 3** and **HG 5.**)

8. Intentional Loss

- a. Intentional loss means any loss arising out of any act an “insured” commits or conspires to commit with the intent to cause a loss.

In the event of such loss, no “insured” is entitled to coverage, even “insureds” who did not commit or conspire to commit the act causing the loss.

- b. However, this exclusion will not apply to deny payment to an innocent co-“insured”, victim of domestic violence, when such coverage would otherwise be excluded under this provision if the “insured”:

(1) Files a police report; and

(2) Completes a sworn affidavit for the insurer that indicates both:

(a) The cause of the loss; and

(b) A pledge to cooperate in any criminal prosecution of the person committing the act causing the loss.

- c. If payment is made pursuant to Paragraph **8.b.**, payment to the innocent co-“insured” may be limited to such innocent co-“insured's” ownership interest in the property reduced by any payment to a mortgagee or other secured interest. However, “we” shall not be required to make any subsequent payment to any other “insured” for the part of any loss for which the innocent co-“insured” has received payment. In no event will “we” pay more than the limit of liability.

The following Exclusion is added:

13. Cannabis

“We” do not cover:

- a. “Cannabis” in any form or quantity. However, this does not apply to:

(1) “Hemp”; or

(2) “Cannabis” owned or possessed by an “insured”:

(a) In accordance with the laws of the state, district, or territory in which the loss or damage occurs; and

(b) In connection with the lawful order of a licensed healthcare professional.

- b. “Cannabis” plants.

- c. “Cannabis activity” performed by or at the direction of any:

(1) “Insured”; or

(2) Roomer, boarder, or other tenant of any “insured premises”.

This exclusion applies, but is not limited, to loss arising out of any material that escapes, leaches, leaks, migrates, or seeps, or is discharged, dispersed, disposed of, emitted, produced, released, or spilled, as a result of “cannabis activity”.

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This exclusion does not apply to direct loss to covered property caused by the disposal, possession, or storage of “hemp”.

To the extent that this policy provides coverage for loss caused by fire or explosion, this exclusion does not apply to direct loss to covered property caused by a fire or explosion resulting from “cannabis activity”.

This exclusion applies even if “cannabis” is legal in the state, district, or territory in which this policy was issued or the loss, injury, or damage occurs.

For the purpose of this exclusion, the following definitions are added:

- a. “Cannabis” means:
 - (1) Marihuana, as defined by the Federal Food and Drug Law at 21 U.S.C. Section 802, including any amendments;
 - (2) Any material containing tetrahydrocannabinol (THC), whether natural or synthetic; or
 - (3) Any material, good, or product taken from, containing, or made from material described in item (1) or (2) above.
- b. “Cannabis activity” means any activity that involves the cultivation, delivery, disposal, distribution, furnishing, handling, labeling, manufacture, packaging, possession, processing, production, sale, serving, storage, testing, trading, or transfer of “cannabis” in any form.
- c. “Hemp” means any “cannabis” material, good, or product that:
 - (1) Has a THC concentration at the time of the loss or damage that is within the legal limit permitted for “hemp” under federal law; and
 - (2) Is not illegal or prohibited at the time of the loss or damage under any applicable federal, state, or local law or regulation.

SECTION I – CONDITIONS

Under **C. Loss Settlement** paragraph 4. is deleted and replaced with the following: (This applies to Forms **HG 3** and **HG 5**.)

- 4. “You” may disregard the replacement cost loss settlement provisions and make claim for the “actual cash value” of the loss to buildings and personal property before repairs are made. A claim for any additional amount payable under this coverage must be made within 180 days after the date of the loss. If “you” fail to notify “us” of “your” intent to make additional claim within the 180 day time frame, such failure will not invalidate the claim unless such failure operates to prejudice “our” rights.

Under **C. Loss Settlement** paragraph 2. is deleted and replaced with the following: (This applies to Form **HG 6** only.)

2. Coverage A – Dwelling:

- a. For damaged property that is repaired or replaced within 180 days from the time access is given to make repairs, “we” will pay the actual cost to repair or replace it, not to exceed the applicable limit shown in the declarations. If “you” fail to notify “us” of “your” intent within the 180 day time frame, such failure will not invalidate the claim unless such failure operates to prejudice “our” rights.
- b. For damaged property that is not repaired or replaced within 180 days from the time access is given to make repairs, “we” will pay “actual cash value”, not to exceed the lesser of the amount required to repair or replace the property or the applicable limit shown in the declarations. If “you” fail to notify “us” of “your” intent within the 180 day time frame, such failure will not invalidate the claim unless such failure operates to prejudice “our” rights.

Condition **E. Appraisal** is deleted and replaced with the following:

E. Appraisal

If “you” and “we” fail to agree on the amount of the loss, either may make a written demand for an appraisal of the loss. Each party will choose a competent and impartial appraiser and notify the other of the appraiser’s identity within 20 days after the demand is received. The appraisers will select a competent and impartial umpire. The appraisers shall first select a competent and disinterested umpire; and failing for fifteen (15) days to agree upon such umpire, then, on request of the insured or this company, such umpire shall be selected by a judge of a court of record to the state and county (or city if the city is not within a county) in which the property covered is located.

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The appraisers shall then appraise the loss, stating separately "actual cash value" and loss to each item. If the appraisers submit a written report of an agreement to "us", the amount agreed upon shall be the amount of loss. If they cannot agree, they will submit their differences to the umpire, who shall issue an award within thirty days after receipt of the appraisers' submission of their differences. A decision agreed to by any two shall establish the amount of loss and shall be final and nonappealable.

Each party will pay the appraiser it chooses, and the parties will share equally the umpire's fee and other expenses of the appraisal.

Under no circumstance will an appraisal be used to interpret policy terms, determine causation, or determine whether or not a loss is covered under this policy.

Condition **G. Suit Against Us** is deleted and replaced with the following:

G. Suit Against Us

No suit or action for any loss under this policy shall be commenced until payment becomes due in accordance with the policy, and in no event until 60 days have elapsed after proof of loss has been given the company. No such suit or action shall be sustainable in any court unless all the requirements of the policy have been complied with, nor unless commenced within twelve months next after the loss.

Condition **H. Our Option** is amended by adding the following paragraph with respect to partial loss caused by the peril of fire:

In the event of partial loss to covered property, at "your" option "we" shall, up to the limit of liability of this policy:

1. Pay "you" the actual cost of the damage; or
2. Repair the damage, so that "your" property is returned to the same condition it was prior to the fire.

Under Condition **I. Loss Payment** paragraph 1. is deleted and replaced with the following:

1. Except as provided in paragraph 3. below, "we" shall adjust any loss with "you" and pay "you" unless another payee is named in the policy. "We" will pay within 60 days after the amount of loss is finally determined by agreement between "you" and "us", a court judgment or an appraisal award.

"We" may choose to discuss the claim loss with a contractor, but are not required to do so. If "you" assign "your" right to loss payment to a third party, "we" will make the payment to the designated third party, but "we" are not required to negotiate the right to that payment or the amount of that payment with the assignee third party or its representative. If "you" retain a public adjuster to speak on "your" own behalf in adjusting the claim loss, "we" will discuss the claim and negotiate with that public adjuster as "you" direct.

SECTION II – ADDITIONAL LIABILITY COVERAGES

Under Additional Liability Coverage **5. Pollution** is amended by adding the following paragraph:

If "you" fail to notify "us" of "your" intent to make additional claim within the 365 day time frame, such failure will not invalidate the claim unless such failure operates to prejudice "our" rights.

SECTION II – EXCLUSIONS

A. Under Any Of The Coverages is amended as indicated.

Exclusion **15.** is deleted and replaced with the following:

15. "We" do not cover "bodily injury", "property damage", or "personal injury" arising out of any "communicable disease".

For purposes of this exclusion, a "communicable disease" means any disease which can be transmitted by means of any substance or agent from person to person, animal to person, or animal to animal where:

- a. The substance or agent includes, but is not limited to, a virus, bacterium, parasite or other organism or any variation thereof, whether deemed living or not; and
- b. The method of transmission, whether direct or indirect, includes but is not limited to airborne transmission, bodily fluid transmission, transmission from or to any surface or object, solid, liquid or gas or between organisms; and
- c. The disease, substance or agent can cause or threaten "bodily injury", illness, emotional distress or damage to human health, animal health, human welfare or "property damage".

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The following Exclusions are added:

- 33.** “We” do not cover “bodily injury” or “property damage” arising out of failure to supervise the perpetrator or the victim that results in one or more of the excluded events in **EXCLUSIONS 10., 15., 16., or 17.**
- 34.** “We” do not cover “bodily injury”, “property damage” or “personal injury” arising out of any “cannabis activity” or “cannabis exposure”, this includes but is not limited to:

- a.** Material that escapes, leaches, leaks, migrates, or seeps, or is discharged, dispersed, disposed of, emitted, produced, released or spilled as a result of “cannabis activity” or “cannabis exposure”. This includes any cost to test for, monitor, clean up, remove, contain, treat, detoxify, or neutralize “cannabis activity” or “cannabis exposure”.

This exclusion applies regardless of the theory of liability pursued, asserted, or claimed against the “insured”.

This exclusion applies even if “cannabis” or “cannabis activity” is legal in the state, district, or territory in which this policy was issued, or the injury or damage occurs.

- b.** “Property damage” to “cannabis”.

For the purpose of this exclusion, the following definitions are added:

- a.** “Cannabis” means:

- (1)** Marihuana, as defined by the Federal Food and Drug Law at 21 U.S.C. Section 802, including any amendments;
- (2)** Any material containing tetrahydrocannabinol (THC), whether natural or synthetic; or
- (3)** Any material, good, or product taken from, containing, or made from material described in item **(1)** or **(2)** above.

- b.** “Cannabis activity” means any activity that involves the cultivation, delivery, disposal, distribution, furnishing, handling, labeling, manufacture, packaging, possession, processing, production, sale, serving, storage, testing, trading, or transfer of “cannabis” in any form.

- c.** “Cannabis exposure” means any actual, alleged, or threatened exposure to, presence of, or consumption, inhalation, ingestion, or absorption of “cannabis” in any form.

- d.** “Hemp” means any “cannabis” material, good, or product that:

- (1)** Has a THC concentration at the time of the injury or damage that is within the legal limit permitted for “hemp” under federal law; and
- (2)** Is not illegal or prohibited at the time of the injury or damage under any applicable federal, state, or local law or regulation.

This exclusion does not apply to “bodily injury”, “property damage”, or “personal injury” arising out of the disposal, possession, or storage of “hemp” or exposure to, or the presence, consumption, inhalation, ingestion, or absorption of “hemp”.

- 35.** “We” do not cover:

- a.** “Bodily injury”, “property damage”, or “personal injury” which would not have occurred, in whole or in part, but for the actual, alleged, threatened or suspected inhalation, ingestion, absorption, consumption, discharge, dispersal, seepage, migration, release or escape of, contact with, exposure to, existence of, or presence of, any “perfluoroalkyl or polyfluoroalkyl substances”.

- b.** Any loss, cost or expense arising, in whole or in part, out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to or assessing the effects of, “perfluoroalkyl or polyfluoroalkyl substances”, by any “insured” or by any other person or entity.

For the purpose of this exclusion, the following definition is added:

- a.** “Perfluoroalkyl or polyfluoroalkyl substances” means any:

- (1)** Chemical or substance that contains one or more alkyl carbons on which hydrogen atoms have been partially or completely replaced by fluorine atoms, including but not limited to:
- (a)** Polymer, oligomer, monomer or nonpolymer chemicals and their homologues, isomers, telomers, salts, derivatives, precursor chemicals, degradation products or by-products;

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- (b) Perfluoroalkyl acids (PFAA), such as perfluorooctanoic acids (PFOA) and its salts or perfluorooctane sulfonic acid (PFOS) and its salts;
 - (c) Perfluoropolyethers (PFPE);
 - (d) Fluorotelemer-based substances; or
 - (e) Side-chain fluorinated polymers; or
- (2) Goods or products, including containers, materials, parts or equipment furnished in connection with such goods or products, that consists of or contains any chemical or substance described in paragraph (1) above.

SECTION II – CONDITIONS

Under Condition **B. Your Duties After A Loss** paragraph 5. is deleted and replaced with the following:

5. If a loss covered under **ADDITIONAL LIABILITY COVERAGES 3. Damage To Property Of Others** occurs, send “us”, within 60 days of the loss, sworn proof of loss. The “insured” must protect the damaged property from any further loss. “We” will pay reasonable expenses incurred to protect the property. Any further loss due to “your” failure to protect the property will not be paid. The “insured” shall also exhibit the damaged property if within the “insured’s” control. If “you” fail to notify “us” within the 60 day time frame, such failure will not invalidate the claim unless such failure operates to prejudice “our” rights;

SECTION I AND II – CONDITIONS

Under Condition **C. Cancellation**, paragraph 2. is deleted and replaced with the following:

2. “We” may cancel this policy only for the reasons stated below by mailing written notice to the first Named Insured shown in the Declarations at the last mailing address known to “us”. Proof of mailing will be sufficient proof of notice. The notice will include the reason for cancellation.
- a. When “you” have not paid the premium, “we” may cancel at any time by notifying the first Named Insured at least 10 days before the date cancellation takes effect.
 - b. When this policy has been in effect for less than 60 days and is not a renewal with “us”, “we” may cancel for any reason, other than nonpayment of premium, by notifying the first Named Insured at least 30 days before the date cancellation takes effect.
 - c. When this policy has been in effect for 60 days or more, or at any time if it is a renewal with “us”, “we” may cancel for one or more of the reasons listed below by notifying the first Named Insured at least 30 days before the date cancellation takes effect:
 - (1) Fraud or any material misrepresentation affecting the policy or in the presentation of a claim thereunder, or violation of any of the terms or conditions of the policy; or
 - (2) Physical changes in the property insured which increase the hazards originally insured; or
 - (3) The named “insured” or any occupant of the property has been convicted of a crime arising out of acts increasing the hazard insured against.
 - d. When this policy is written for a period of more than one year, “we” may cancel for any reason at anniversary by letting the first Named Insured know at least 30 days before the date cancellation takes effect.

Condition **D. Nonrenewal** is deleted and replaced with the following:

D. Nonrenewal

“We” may elect not to renew this policy. “We” may do so by notifying the first Named Insured of “our” intent not to renew at least 30 days before the expiration date of this policy. This nonrenewal notice will contain the reason for nonrenewal and shall be mailed to the first Named Insured shown in the Declarations at the last mailing address known to “us”. Proof of mailing will be sufficient proof of notice.

Condition **E. Our Right To Recover Payment** is deleted and replaced with the following:

E. Our Right To Recover Payment

- 1. “We” have the right to recover a payment made under this policy if:
 - a. “We” make a payment to any “insured” entitled to benefits under this policy; and

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b. The “insured” has a legal right to recover damages from a third party.

After a payment is made by “us”, “you” or the person receiving the payment has no right to file a claim or lawsuit to collect the amount of “our” payment from a third party. “You” or the person receiving a payment under the policy may not hire an attorney on “our” behalf to collect the amount of “our” payment.

“You” or the person receiving a payment under the policy must sign papers and do whatever is necessary to transfer the right to collect the amount of the payment to “us”. If “you” or the person receiving a payment under this policy release anyone responsible for causing a loss without “our” written consent, this policy has been breached and “we” may recover from such person the amounts paid by “us”. If “you” or the person receiving a payment under this policy recovers damages from a third party, the proceeds of the recovery must be held in trust and “we” must be reimbursed to the extent of “our” payment under the policy.

2. “We” do not have a right to recover a payment made:

a. Under Section I if, before the loss, “you” have waived in writing “your” right to recover damages from the responsible party; or

b. Under **ADDITIONAL LIABILITY COVERAGE 3. Damage To Property Of Others** or Coverage **F** under Section II.

3. If payment is made to “insured” for a loss arising from an act of domestic violence, the rights of that “insured” to recover against the perpetrator are transferred to “us” to the extent of “our” payment. The “insured” receiving the payment may not waive any rights to recover against such rights to recover against the perpetrator of the domestic violence.

LIMITATION OF COVERAGE PROVIDED BY MISSOURI PROPERTY AND CASUALTY INSURANCE GUARANTY ASSOCIATION

The Missouri Property and Casualty Insurance Guaranty Association (hereafter referred to as the Association), will pay claims covered under the Missouri Property and Casualty Insurance Guaranty Association Act (hereafter referred to as the Act) if we become insolvent.

Various exclusions, conditions and limitations in the Act govern an insured's eligibility to collect payment from the Association and affect the amount of any payment for a covered claim. Subject to all other provisions of the Act the following limitations apply:

1. The obligation of the Association shall only include that amount of each covered claim which is less than \$300,000.

However, the Association shall not be obligated to an insured for;

a. An amount in excess of the face amount or the limit of insurance of the policy from which the claims arises, or

b. Any return of unearned premium in excess of \$25,000.

2. The Association shall not be obligated to pay a covered claim if the insured has a net worth of more than \$25 million on the later of:

a. The end of the insured's most recent fiscal year; or

b. The December thirty-first of the year next preceding the date the insurer becomes insolvent;

Provided that an insured's net worth on such date shall be deemed to include the aggregate net worth of the insured and all of its affiliates as calculated on a consolidation basis.

THE ABOVE LIMITATIONS SHALL HAVE NO EFFECT ON THE COVERAGE PROVIDED UNDER THIS POLICY.

All other terms and conditions of this policy apply.

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