

PLEASE READ THIS ENDORSEMENT CAREFULLY, AS IT MODIFIES THE POLICY.

## SPECIAL PROVISIONS – MISSOURI

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

### EXCLUSIONS

Exclusion **3. Water Damage** is deleted and replaced with the following:

#### 3. Water Damage

“We” do not pay for loss resulting from:

- a. Flood, surface water, waves, overflow of any body of water, or their spray, regardless of cause and whether or not driven by wind;
- b. Tsunami, storm surge, tidal surge, tidal wave, tidal water, storm tide, or their spray, whether or not driven by wind or caused by earthquake;
- c. Mudslide or mudflow;
- d. Water or water-borne material which backs up or overflows from sewers or drains;
- e. Water or water-borne material below the ground surface pressing on, or flowing or seeping through:
  - 1) Foundations, patios, walls, floors, or paved surfaces;
  - 2) Basements, whether finished or not;
  - 3) Doors, windows, or other openings;
  - 4) Discharged from a sump well, sump pump, or related equipment; or
- f. Damage to piers, docks, or boat hoists caused by waves, whether or not driven by wind;

This exclusion **3.** applies, whether or not the loss is caused by or resulting from:

- a. Human, animal forces, or any act of nature; or
- b. The failure of any dam, levee, seawall, or any other boundary or containment system.

Direct loss by fire, explosion, or theft resulting from water damage is covered.

Exclusion **4. Power Failure** is deleted and replaced with the following:

#### 4. Power Failure

Power Failure means loss from the failure of power or other utility services resulting from any cause, whether insured under this policy or not, if the failure of power takes place away from the “insured premises”. “We” will pay for loss caused by a Peril Insured Against which occurs on the “insured premises” as a result of failure of power except for direct or indirect loss to “livestock” or “poultry”.

Exclusion **8. Intentional Or Expected Loss** is deleted and replaced with the following:

#### 8. Intentional Or Expected 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.

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- b. This exclusion will not apply to deny payment to an innocent co-“insured” or 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.

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 insurance.

Exclusion **14. Death Or Injury To “Livestock” Or “Poultry”** is deleted and replaced with the following:

**14. Death Or Injury To “Livestock” Or “Poultry”**

- a. “We” do not pay for loss of “livestock” or “poultry” caused by:
  - 1) Smothering, including in blizzards and snow-storms;
  - 2) Asphyxiation;
  - 3) Suffocation;
  - 4) Fright;
  - 5) Hypothermia; or
  - 6) Hyperthermia.

“We” will cover death or injury to “livestock” or “poultry” resulting from a fire on the “insured premises”.

- b. “We” do not pay for loss which results in death or injury to “livestock” or “poultry”, unless:
  - 1) The claim is reported to “us” within 48 hours of death or injury to the animal;
  - 2) A licensed veterinarian performs a postmortem examination; and
  - 3) The death or injury was caused by a Peril Insured Against.

In no event will “we” provide coverage if the loss is reported later than 48 hours after death.

Exclusion **26. Public Storage Facility** is deleted and replaced with the following:

**26. Public Storage Facility**

“We” do not pay for grain in a public storage facility.

The following Exclusions are added:

**29. 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”.

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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".

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.

### 30. Virtual Currency

"We" do not cover:

Virtual currency of any kind, by whatever name known, whether actual or fictitious, including but not limited to, digital currency, crypto currency or any other type of electronic currency.

## CONDITIONS

Condition **5. Appraisal** is deleted and replaced with the following:

### 5. Appraisal

If "you" and "we" fail to agree on the amount of loss, either party may make written demand for an appraisal of the loss. Each party will choose an 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. If they cannot agree upon an umpire within 15 days, "you" or "we" may ask a judge or court of record in the state and county (or city if the city is not within a county) where the "insured premises" is located to select an umpire.

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 30 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.

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Condition 9. **Suit Against “Us”** is deleted and replaced with the following:

**9. 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 11. **“Our” Payment Of Loss** is deleted and replaced with the following:

**11. “Our” Payment Of Loss**

“We” will adjust all losses with “you”. “We” will pay “you” unless some other person is named in the policy or is legally entitled to receive payment. Loss will be payable 60 days after “we” receive “your” proof of loss and:

- a. Reach an agreement with “you”;
- b. There is an entry of a final judgment; or
- c. There is a filing of an appraisal award with “us”.

“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.

Condition 18. **Concealment Or Fraud** is deleted and replaced with the following:

**18. Concealment Or Fraud**

“We” may deny coverage if “you” or any “insured” has:

- a. Intentionally concealed or misrepresented any material fact or circumstance;
- b. Made false statements; or
- c. Committed fraud relating to this insurance

whether before or after any loss, accident, application for coverage, or claim for which coverage is sought under this policy.

**RIGHTS AND DUTIES – GENERAL POLICY CONDITIONS**

Condition 1. **Liberalization Clause** is deleted and replaced with the following:

**1. Liberalization Clause**

If any coverage under this policy is broadened without charge during the policy period, this policy will automatically provide the broadened coverage when it becomes effective.

This Liberalization Clause does not apply to changes implemented with a general program revision that includes both broadenings and restrictions in coverage, whether that general program revision is implemented through introduction of:

- a. A subsequent edition of this policy; or
- b. An amendatory endorsement.

Condition 3. **Cancellation** is amended by deleting the second paragraph and replacing it with the following:

“We” may cancel this policy by giving “you” at least 5 days’ notice. The cancellation notice shall be mailed to the mailing address shown in the Declarations. Proof of mailing will be sufficient proof of notice.

Condition 4. **Nonrenewal** is deleted and replaced with the following:

**4. Nonrenewal**

“We” may elect not to renew this policy. “We” may do so by delivering to “you”, or mailing to “you” at “your” mailing address shown in the Declarations, written notice at least 5 days before the expiration date of this policy. Proof of mailing will be sufficient proof of notice.

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Condition 5. **“Our” Right To Recover Payment** is amended by adding the following:

If payment is made to any “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 the perpetrator of the domestic violence.

The following Condition is added:

#### **11. Previous Losses**

When previous loss or damage has not been repaired or replaced, the amount payable on any subsequent loss will be reduced by the amount paid on any previous loss or damage to the same property.

### **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.