

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

## SPECIAL PROVISIONS – MISSOURI

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

### DEFINITIONS USED THROUGHOUT THIS POLICY

Definition 7. is deleted and replaced with the following:

7. "Pollutant" means any:
  - a. Gasoline, diesel, kerosene, or other fuel for a motorized vehicle or heating appliance, including any post-combustion by-products;
  - b. Petroleum-based lubricant;
  - c. Anti-freeze;
  - d. Vehicle tires;
  - e. Paint;
  - f. Pesticide;
  - g. Herbicide;
  - h. Fertilizer;
  - i. Animal or human waste;
  - j. Ink;
  - k. Mercury; or
  - l. Other solid, liquid, gaseous, or thermal irritant or contaminant.

### I. EXCLUSIONS

Exclusion 4. is deleted and replaced with the following:

4. Water damage meaning:
  - 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 4. 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.

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Exclusion 9. is deleted and replaced with the following:

9. Illegal substance means the sale, manufacture, delivery, transfer, storage, or packaging by any “insured” of any substance defined as controlled or illegal by any federal, state, or local law, regulation, or ordinance.

The following Exclusions are added:

#### 14. 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 person”:
    - 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”.

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.

#### 15. 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.

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## **RIGHTS AND DUTIES – CONDITIONS**

Condition **7. Appraisal** is deleted and replaced with the following:

### **7. Appraisal**

If “you” and “we” fail to agree on the actual cash value or amount of loss, either party may make written demand for an appraisal. Each party will select 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 the appraisers are unable to agree upon an umpire within 15 days, “you” or “we” can ask a judge or a court of record in the state and county (or city if the city is not within a county) where the “residence premises” is located to select an umpire.

The appraisers shall then appraise the loss, stating separately the 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 actual cash value or amount of loss. If they cannot agree, they will submit their differences to the umpire. The umpire shall make the award within 30 days after the umpire receives the appraisers’ submissions of their differences. A written award by two will determine the actual cash value or amount of loss. 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 equally pay expenses for the umpire and all 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 **8. Our Payment of Loss** is deleted and replaced with the following:

### **8. Our Payment of Loss**

“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 an 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.

Condition **10. Suit Against Us** is deleted and replaced with the following:

### **10. Suit Against Us**

No suit or action for any loss under this policy shall be commenced until such loss becomes due in accordance with the policy, and in no event until sixty 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.

## **GENERAL POLICY CONDITIONS**

The following Conditions are added:

### **13. Automatic Termination**

If “we” offer to renew or continue this policy and “you” or “your” representative does not accept this offer, this policy will automatically terminate at the end of the current policy period. Failure to pay the required renewal or continuation premium as “we” require, shall mean that “you” have not accepted “our” offer to continue the policy for the new policy period.

### **14. Policy Authorities**

When there is more than one Named Insured listed on this policy, any Named Insured has authority to act for all Named Insureds to cancel, non-renew, or change this policy, or settle a loss under this policy. A Named Insured is the only person entitled to provide “us” with instructions regarding loss settlement and payments. An Additional Named Insured, Additional Insured – Limited Interest, and all other “insureds” are not entitled to cancel, non-renew, or make any changes to this policy, except as expressly authorized by law. A power of attorney, guardian, or conservator of a Named Insured may instruct “us” to cancel, nonrenew, or make a change to the policy on behalf of that Named Insured.

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## 15. Policy Communications

"We" will convey all notices and correspondence pertaining to this policy to the first Named Insured at the last address known to "us" unless "we" receive a written request by a Named Insured to forward correspondence to a different address.

## 16. 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.