

# Policy Endorsement

The following endorsement changes your policy. Please read this document carefully and keep it with your policy.

## Missouri Amendatory Endorsement Condominium Owners Policy – AP4801

I. The **General** section of **your** policy is amended as follows:

A. The **Cancellation** provision is replaced by the following:

### **Cancellation**

**Your** Right to Cancel:

**You** may cancel this policy by notifying **us** of the future date **you** wish to stop coverage.

**Our** Right to Cancel:

**We** may cancel this policy by mailing notice to **you** at the mailing address shown on the Policy Declarations. When this policy has been in effect for less than 60 days, and it is not a renewal with **us**, **we** may cancel this policy for any reason.

When this policy has been in effect for 60 days or more, or if it is a renewal with **us**, **we** may cancel this policy for one or more of the following reasons:

- 1) Non-payment of premium;
- 2) Conviction of an **insured person** of a crime involving acts causing an increase in hazard at the **insured premises**;
- 3) Misrepresentation, fraud or withholding of material facts when obtaining the policy or when submitting a claim;
- 4) Physical changes in the covered property which increase the hazards in the risk **we** originally agreed to insure.

If the cancellation is for non-payment of premium, **we** will give **you** at least 10 days notice. If the cancellation is for any of the other reasons listed above, **we** will give **you** at least 30 days notice.

**Our** mailing the notice of cancellation to **you** will be deemed to be proof of notice. Coverage under this policy will terminate on the effective date and hour stated on the cancellation notice. **Your** return premium, if any, will be calculated on a pro rata basis and refunded at the time of cancellation or within 30 days of the cancellation notice. However, refund of unearned premium is not a condition of cancellation.

**Our Right Not to Renew or Continue:**

**We** have the right not to renew or continue the policy beyond the current premium period. This policy may be:

- 1) canceled;
- 2) not renewed;
- 3) reduced in amount; or
- 4) adversely modified

at any time by **us** giving **you** 30 days written notice of such action with or without tender of the excess of paid premium above the pro rata premium for the expired time, which excess, if not tendered, shall be refunded within 30 days of such written notice. **We** will give 10 days notice where such action is based upon non-payment of premium or evidence that an **insured person** committed arson. **Our** mailing notice of non-renewal to **you** will be deemed to be proof of notice.

- B. The **Conditional Reinstatement** provision is added:

**Conditional Reinstatement**

If **we** mail a cancellation notice because **you** did not pay the required premium when due and **you** then tender payment by check, draft, or other remittance which is not honored upon presentation, **your** policy will terminate on the date and time shown on the cancellation notice and any notice **we** issue which waives the cancellation or reinstates coverage is void. This means that **we** will not be liable under this policy for claims or damages after the date and time indicated on the cancellation notice.

- II. In **Section I-Your Property**, the following changes are made:

- A. Under **Coverage A Building Property Protection**, the **Property We Cover Under Coverage A** provision is deleted and replaced by the following:

**Property We Cover Under Coverage A**

**We** will cover items of real property owned exclusively by an **insured person** that:

1. do or will comprise a part of the **residence premises**;
2. are used to service or support **your residence premises**; and
3. are **your** insurance responsibility as expressed under the governing rules of the **condominium association**.

Real property includes only those fixtures, structures, construction material and supplies, installations or additions located either within that portion of the premises used as **your residence premises** or on the **condominium** premises.

- B. In **Coverage C Personal Property Protection**, the following changes are made:

1. Under **Limitations On Certain Personal Property**, the following is added:

15. \$400 - Theft of Compact Discs, while Compact Discs are away from the **residence premises**. This is the maximum amount **we** will pay for an entire collection.

2. Under **Losses We Do Not Cover Under Coverages A and C**, the following changes are made:

a) Provision 15d), "rust or other corrosion, mold, wet or dry rot", is replaced by:  
15. d) rust or other corrosion;

b) The following is added:

22. Mold, fungus, wet rot, dry rot or bacteria. This includes any loss which, in whole or in part, arises out of, is aggravated by or results from mold, fungus, wet rot, dry rot or bacteria.

This exclusion applies regardless of whether mold, fungus, wet rot, dry rot or bacteria arises from any other cause of loss, including but not limited to a loss involving water, water damage or discharge, which may otherwise be covered by this policy, except as specifically provided in **Section I, Conditions -- Mold, Fungus, Wet Rot and Dry Rot Remediation as a Direct Result of a Covered Water Loss.**

C. In **Additional Protection**, the following changes are made:

1. The **Additional Living Expense** provision is replaced by the following:

1. **Additional Living Expense**

a) **We** will pay the reasonable increase in living expenses necessary to maintain **your** normal standard of living when a direct physical loss **we** cover under **Coverage A - Building Property Protection** or **Coverage C - Personal Property Protection** makes **your condominium** uninhabitable. However, additional living expense due to remediation of mold, fungus, wet rot or dry rot will not be paid in addition to any amounts paid or payable under **Section I, Conditions -- Mold, Fungus, Wet Rot and Dry Rot Remediation as a Direct Result of a Covered Water Loss.**

Payment for additional living expense as a result of a covered loss under **Coverage A - Building Property Protection** or **Coverage C—Personal Property Protection** will be limited to the least of the following:

- 1) the time period required to repair or replace the property **we** cover, using due diligence and dispatch;
- 2) if **you** permanently relocate, the shortest time for **your** household to settle elsewhere; or
- 3) 12 months.

b) **We** will pay **your** lost fair rental income resulting from a covered loss under **Coverage A - Building Property Protection** or **Coverage C - Personal Property Protection**, less charges and expenses which do not continue, when a loss **we** cover under **Coverage A - Building Property Protection** or **Coverage C - Personal Property Protection** makes the part of the **residence premises you** rent to others, or hold for rental, uninhabitable. **We** will pay for lost fair rental income for the shortest time required to repair or replace the part rented or held for rental but not to exceed 12 months. However, payments for **your** lost fair rental income expense due to remediation of

mold, fungus, wet rot or dry rot will not be paid in addition to any amounts paid or payable under **Section I, Conditions -- Mold, Fungus, Wet Rot and Dry Rot Remediation as a Direct Result of a Covered Water Loss.**

- c) **We** will pay the reasonable and necessary increase in living expenses and the lost fair rental income for up to two weeks should civil authorities prohibit the use of the **residence premises** due to a loss at a neighboring premises caused by a loss **we** insure against. However, payments for increase in living expenses or **your** lost fair rental income expense due to remediation of mold, fungus, wet rot or dry rot will not be paid in addition to any amounts paid or payable under **Section I, Conditions -- Mold, Fungus, Wet Rot and Dry Rot Remediation as a Direct Result of a Covered Water Loss.**

These periods of time are not limited by the termination of this policy.

**We** do not cover any lost income or expense due to the cancellation of a lease or agreement.

No deductible applies to this protection.

2. The **Collapse** provision is replaced by the following:

10. **Collapse**

**We** will cover direct physical loss to covered property caused by the entire or partial collapse of a building structure.

For coverage to apply, the collapse of a building structure must be a sudden and accidental direct physical loss caused by one or more of the following:

- a) a loss **we** cover under **Section I, Coverage C—Personal Property Protection;**
- b) hidden decay of the building structure;
- c) hidden damage to the building structure caused by insects or vermin;
- d) weight of persons, animals, equipment or contents;
- e) weight of rain or snow which collects on a roof;
- f) defective methods or materials used in construction, repair, remodeling or renovation, but only if the collapse occurs in the course of such construction, repair, remodeling or renovation.

Collapse, as referenced herein, means actually falling down, falling into pieces, or otherwise losing its original constructed form. It does not include settling, cracking, shrinking, bulging, expansion, sagging, or bowing. Furthermore, collapse does not include or mean substantial structural impairment or imminent collapse.

Sudden, as used herein, means not only unexpected, but also instantaneous.

This protection does not change the limit of liability that applies to the covered property.

3. The following provision **Condominium Association Master Insurance Policy Deductible Protection** is added:

**Condominium Association Master Insurance Policy Deductible Protection**

**We** will pay **your** share of an assessment charged against **you** by the **association** for the **association's** master insurance policy deductible if all of the following apply:

1. the assessment is charged as a result of a loss to the **condominium** property, owned by all unit owners collectively, that occurs while this policy is in force and such loss is covered under the **association's** master insurance policy;
2. the assessment is not charged against all **condominium** unit owners; and
3. the loss to such property was a sudden and accidental direct physical loss which **we** would cover under **Coverage A—Building Property Protection**, if such property qualified as property **we** cover under **Coverage A—Building Property Protection** of this policy.

The amount **we** will pay under this protection for assessments as a result of a single occurrence resulting in loss to the **condominium** property, owned by all units owners collectively, will not exceed an amount equal to the **Coverage A—Building Property Protection** limit of liability displayed on **your** Policy Declarations, regardless of the number of assessments charged.

Payment under this provision does not reduce the **Coverage A—Building Property Protection** limit of liability.

If **we** do not believe an assessment charged is appropriate, **you** agree to cooperate with **us** in contesting such assessment.

No deductible applies to this protection.

The protection provided by this **Condominium Association Master Insurance Policy Deductible Protection** shall apply to the following entities as if they were "**you**":

- 1) the **LLC** indicated on the **Additional Insured for Condominium Limited Liability Company** endorsement, if such endorsement is part of **your** policy; and
- 2) the **Trust** indicated on the **Additional Insured —Trust** endorsement, if such endorsement is part of **your** policy.

- D. In **Section I-Conditions**, the following changes are made:

1. Item 4, **Our Settlement Options** is deleted.
2. Item 4, **Options** is added:
  4. **Options**  
In the event of a covered loss, **we** have the option to:

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- a) repair, rebuild or replace all or any part of the damaged , destroyed or stolen property with property of like kind and quality within a reasonable time; or
  - b) pay for all or any part of the damaged, destroyed or stolen property as described in item 5, **How We Pay For A Loss**.

A Within 30 days after **we** receive **your** signed, sworn proof of loss **we** will notify **you** of the option or options **we** intend to exercise.

If covered property is partially destroyed or damaged by fire, **you** may:

- a) receive payment for damage done to the covered property; or
- b) have **us** repair the covered property so that it will be in as good a condition as before the fire.

3. Under item 5, **How We Pay For A Loss**, sub-item c) Building Property Reimbursement, is replaced by the following:

- c) Building Property Reimbursement. Under **Coverage A—Building Property Protection**, we will make additional payment to reimburse **you** for cost in excess of actual cash value if **you** repair, rebuild or replace damaged, destroyed or stolen covered property within 180 days of the actual cash value payment. This additional payment includes the reasonable and necessary expense for treatment or removal and disposal of contaminants, toxins, or pollutants as required to complete repair or replacement of that part of **your residence premises** which are **your** insurance responsibility as expressed under the governing rules of the **condominium**. This additional payment shall not include any amounts which may be paid or payable under **Section I, Conditions -- Mold, Fungus, Wet Rot and Dry Rot Remediation as a Direct Result of a Covered Water Loss**, and shall not be payable for any losses excluded in **Section I -- Your Property**, under **Losses We Do Not Cover Under Coverages A and C**, item 22.

Building Property Reimbursement will not exceed the smallest of the following amounts:

- 1) the replacement cost of the part(s) of the building property for like kind and quality construction for the same use on the same premises;
- 2) the amount actually and necessarily spent to repair or replace the damaged building Property with like kind and quality construction for the same use on the same **residence premises**; or
- 3) the limit of liability applicable to the building property as shown on the Policy Declarations for **Coverage A—Building Property Protection**.

Building Property Reimbursement payment will be limited to the difference between any actual cash value payment made for covered loss to building property and the smallest of 1., 2. or 3. above.

Building Property Reimbursement will not apply to:

1. property covered under **Coverage C—Personal Property Protection**; or
2. wall-to-wall carpeting, fences, awnings and outdoor antennas, whether or not attached to a building structure.

Payment under "a", "b" or "c" above will not include any increased costs due to the enforcement of any building codes, ordinances or laws regulating the construction, reconstruction, maintenance, repair, relocation or demolition of building property or other structures.

4. Item 7, **Appraisal** is replaced by the following:

**7. Appraisal**

In case the insured and this company shall fail to agree as to the actual cash value or the amount of loss, then, on the written demand of either, each shall select a competent and disinterested appraiser and notify the other of the appraiser selected within twenty (20) days of such demand. 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 in the state and county (or city if the city is not within a county) in which the property covered is located. The appraisers shall then appraise the loss, stating separately actual cash value and loss to each item; and, failing to agree, shall submit their differences, only, to the umpire. The umpire shall make the award within thirty (30) days after the umpire receives the appraisers' submissions of their differences. An award in writing, so itemized, of any two when filed with this company shall determine the amount of actual cash value and loss. Each appraiser shall be paid by the party selecting such appraiser and the expenses of appraisal and umpire shall be paid by the parties equally.

5. Item 12, **Suit Against Us** is replaced by the following:

**12. Suit Against Us**

No suit or action may be brought against us unless there has been full compliance with all the policy terms.

6. The following is added:

**19. Mold, Fungus, Wet Rot and Dry Rot Remediation as a Direct Result of a Covered Water Loss.**

In the event of a covered water loss under **Coverage A - Building Property Protection** or **Coverage C - Personal Property Protection**, we will pay up to \$5,000 for mold, fungus, wet rot or dry rot **remediation**.

**Remediation** means the reasonable and necessary treatment, removal or disposal of mold, fungus, wet rot or dry rot as required to complete repair or replacement of property we cover under **Coverage A - Building Property Protection** or **Coverage C—Personal Property Protection** damaged by a covered water loss, including payment for any reasonable increase in living expenses necessary to maintain your normal standard of living if mold, fungus, wet rot or dry rot makes **your residence premises** uninhabitable. **Remediation** also includes any investigation or testing to detect, measure or evaluate mold, fungus, wet rot or dry rot.

This Condition does not increase the limits of liability under **Coverage A - Building Property Protection** or **Coverage C - Personal Property Protection**.

- III. In **Section II—Family Liability and Guest Medical Protection**, the following changes are made:
- A. In **Coverage X-Family Liability Protection**, under **Losses We Do Not Cover Under Coverage X**, the following are added:
- 18. **We** do not cover **bodily injury** or **property damage** which, in whole or in part, arises out of, is aggravated by or results from mold, fungus, wet rot, dry rot or bacteria.
  - 19. **We** do not cover any liability imposed upon any **insured person** by any governmental authority for **bodily injury** or **property damage** which, in whole or in part, arises out of, is aggravated by or results from mold, fungus, wet rot, dry rot or bacteria. This exclusion does not apply to **Coverage G** in **Section III** of this policy.
- B. In **Coverage Y-Guest Medical Protection**, under **Losses We Do Not Cover Under Coverage Y**, the following is added:
- 15. **We** do not cover **bodily injury** which, in whole or in part, arises out of, is aggravated by or results from mold, fungus, wet rot, dry rot or bacteria. This exclusion does not apply to **Coverage G** in **Section III** of this policy.
- C. In **Additional Protection**, under **Claim Expenses** paragraph b) is replaced by the following:
- b) interest accruing on damages awarded, including prejudgment interest, if any. **We** will pay this interest only until **we** have paid, formally offered, or deposited in court the amount for which **we** are liable under this policy. Interest will be paid only on damages which do not exceed **our** limits of liability.
- IV. Under **Section III Optional Protection, Optional Coverages You May Buy**, item 4, **Coverage G Loss Assessments** is replaced by the following:
4. **Coverage G Loss Assessments**  
If **your residence premises** includes a building structure which is constructed in common with one or more similar buildings, and **you** are a member of, and subject to the rules of, an **association** governing the areas held in common by all building owners as members of the **association**, the **insured premises** means the building structure occupied exclusively by **your** household as a private residence, including the grounds, related structures and private approaches to them.
- We** will pay **your** share of any special assessments charged against all of the **condominium** owners by the **association** up to the limit of liability shown on the Policy Declarations, when the assessment is made as a result of:
- a) sudden and accidental direct physical loss to the **condominium** property, owned by all unit owners collectively, except as limited or excluded in **Section I** of this policy; or
  - b) **bodily injury** or **property damage** covered under **Section II** of this policy.

**We** will pay only when the assessment levied against the **insured person**, as a result of any one loss, for **bodily injury** or **property damage** exceeds \$250 and then only for the amount of such excess. This coverage is not subject to any deductible applying to **Section I** of the policy.

In the event of an assessment, this coverage is subject to all the exclusions applicable to **Sections I** and **II** of this policy and the **Section I** and **II Conditions**, except as otherwise noted.

This coverage is excess over any insurance collectible under any policy or policies covering the **association** of unit owners.

The protection provided by **Coverage G Loss Assessments** shall apply to the following entities as if they were **"you"**:

- 1) the **LLC** indicated on the **Additional Insured for Condominium Limited Liability Company** endorsement, if such endorsement is part of **your** policy; and
- 2) the **Trust** indicated on the **Additional Insured —Trust** endorsement, if such endorsement is part of **your** policy.

All other policy terms and conditions apply.

