

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****MISSOURI SPECIAL PROVISIONS****DEFINITIONS**

**Item 1. "Actual cash value"** is deleted and replaced by the following:

- 1. "Actual cash value"** is calculated as the amount it would cost to repair or replace covered property, at the time of loss or damage, with material of like kind and quality, subject to a deduction for obsolescence and a "**deduction for depreciation**". The "**deduction for depreciation**" will be determined as follows:

For property covered under Coverage A – Dwelling Protection or Coverage B - Other Structures Protection, the deduction will be based on the age and condition of the materials making up the damaged property and will apply to materials, labor, sales tax, and overhead and profit that are included in the cost to repair or replace the damaged property.

For property covered under Coverage C - Personal Property Protection, the deduction will be based on the age and condition of the damaged item and will apply to the cost of the item and any sales tax that is included in the cost to repair or replace the damaged item.

"**Actual cash value**" applies to valuation of covered property regardless of whether that property has sustained a partial or total loss. The "**actual cash value**" of lost or damaged property may be significantly less than its replacement cost.

**SECTION I – ADDITIONAL COVERAGES**

Item **6. Loss Assessment** is deleted in its entirety and replaced by the following:

**6. Loss Assessment.**

- a. We will pay up to \$50,000 for your share of loss assessment charged against you by a corporation or association of property owners for an event that occurs during the policy period, when the assessment is made as a result of "**sudden and accidental**" direct physical loss to the property owned by all members collectively, caused by a loss under Section I – LOSSES WE COVER for COVERAGES A – Dwelling and COVERAGE B – Other Structures, subject to all provisions of the policy.
- b. This coverage does not apply to assessments made as a result of damage caused by:
  - (1) Earthquake; or
  - (2) Land shock waves or tremors before, during or after a volcanic eruption.
- c. This coverage applies only to loss assessments charged against you as owner or tenant of the "**described location**".
- d. We do not cover loss assessments charged against you or a corporation or association of property owners by any government body.

- e. The limit of \$50,000 is the most we will pay with respect to any one loss, regardless of the number of assessments.
- f. This coverage is not limited by the expiration of this policy.
- g. This coverage is additional insurance and does not reduce the amount of insurance.
- h. No deductible applies to this coverage.

**Item 11. "Fungus", or Wet or Dry Rot** is deleted and replaced by the following:

**11. "Fungus", or Wet or Dry Rot.**

- a. If as a result of a loss covered under SECTION I – LOSSES WE COVER, we will pay up to a total of \$10,000 for:
  - 1. The cost to treat, remove or dispose of **"fungus"**, or wet or dry rot from covered property.
  - 2. The cost to tear out and replace any part of the building or other covered property as needed to gain access to the **"fungus"**, or wet or dry rot;
  - 3. The cost to test, to detect, measure or evaluate air or property to confirm the absence, presence or level of **"fungus"**, or wet or dry rot whether performed prior to, during or after removal, repair, restoration, or replacement. The cost of such testing will be provided only to the extent that there is a reasonable probability that there is a presence of **"fungus"**, and/or;
  - 4. The necessary increase in costs which you incur to maintain your normal standard of living when the **"described location"** is uninhabitable due to a loss caused by, resulting from, or consisting of **"fungus"**, or wet or dry rot.
- b. This coverage is additional insurance and does not reduce the amount of insurance.
- c. No deductible applies to this coverage once the policy deductible has been met.

**SECTION I – LOSSES WE DO NOT COVER**

Under **LOSSES WE DO NOT COVER UNDER COVERAGES A and B:**

Item **1.f.** is deleted and replaced by the following:

- 1.f.** Constant or repeated seepage or leakage of water or steam over a period of 14 days or more from within a plumbing, heating, air conditioning or automatic fire protective sprinkler system or from within a household appliance, unless such seepage or leakage of water or steam and the resulting damage is unknown to all **"insureds"** and is hidden within walls, beneath the floors, above the ceilings, or behind a stationary appliance, such as a refrigerator, dishwasher, or washing machine;

Under LOSSES WE DO NOT COVER UNDER COVERAGES A, B, C, D and E, item **1.h. Intentional Loss** is deleted and replaced by the following:

**h. Intentional Loss**

- (1) Intentional loss, meaning loss arising out of any act any **"insured"** commits or conspires to commit with the intent to cause a loss. Even **"insureds"** who did not commit or conspire to commit the act causing the loss are not entitled to coverage.
- (2) However, this exclusion does not apply to deny payment to an innocent co-**"insured"** who did not cooperate in or contribute to the creation of a property loss and the loss arose out of a pattern of domestic violence, when such coverage would otherwise be excluded under this provision, if the **"insured"**:
  - (a) Files a police report; and
  - (b) Completes a sworn affidavit for the insurer that indicates both:
    - (i) The cause of the loss; and
    - (ii) A pledge to cooperate in any criminal prosecution of the persona committing the act causing the loss.
- (3) If payment is made pursuant to Paragraph **1.h.** (2), 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 amount of insurance.

Item **2.** a. is deleted and replaced by the following:

- 2. a. Weather Conditions** which includes but is not limited to heat, cold, humidity, rain, ice, snow, sleet, wind, hail or drought. However, this exclusion only applies if weather conditions contribute in any way with a cause or event excluded in SECTION I - LOSSES WE DO NOT COVER UNDER COVERAGES A, B, C, D and E item 1. above to produce the loss.

## **SECTION I – CONDITIONS**

Under **2. Your Duties After Loss**, item a. is deleted and replaced by the following:

- a. Promptly notify us or our agent about the loss. This policy will not provide any coverage for your loss if you fail to notify us about the loss within one year after the loss actually occurs. However, no claim will be denied based upon the **"insured's"** failure to provide notice within such specified time, unless this failure operates to prejudice the rights of the insurer, as per Missouri regulation 20CSR100-1.020;

Under **6. Appraisal**, item a. is deleted and replaced by the following:

- a. If you and we fail to agree as to the **"actual cash value"** or the amount of loss, either may demand, in writing, an appraisal of the loss. In this event, each party shall select a competent and disinterested appraiser and notify the other of the appraiser selected within 20 days of such demand. The two appraisers will choose an umpire. If they cannot agree on an umpire within 15 days, you or we may request that the choice be made by a judge of a court of record in the same state and county (or city if the city is not within a county) in which the **"described location"** is located. The appraisers will separately set both the **"actual cash value"** and loss to each item. If the appraisers submit a written report of

agreement to us, the amount agreed upon will be the **"actual cash value"** or the amount of the loss. If the appraisers fail to agree, they will submit their differences to the umpire. The umpire shall make the award within 30 days after receiving the appraisers' submission of their differences. A decision agreed to by any two will set the amount of **"actual cash value"** and loss.

Under **7. Other Insurance**, item a. is deleted and replaced by the following:

- a. Other insurance, we will pay only the proportion of the loss that the amount of insurance applying under this policy bears to the total amount of insurance covering the property. However, in the event of a total loss by fire we will not deny that the property is worth the aggregate of the several amounts for which it is insured at the time the policy was issued or renewed, unless willful fraud or misrepresentation is shown on the part of the **"insured"** in obtaining such additional insurance.

Item **8. Suit Against Us** is deleted and replaced by the following:

**8. Suit Against Us.** No action can be brought against us unless you have:

- a. Give us notice of the loss;
- b. Complied with all other policy provision; and
- c. Started the action

within ten years of the date of loss.

Item **9. 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 amount of insurance of this policy:

- a. Pay your the actual cost of the damage; or
- b. Repair the damage

So that your property is returned to the same condition it was prior to the fire.

## **SECTION II – EXCLUSIONS\***

### **1. COVERAGE L – Personal Liability and COVERAGE M – Medical Payments to Others**

The following exclusions are added:

#### **Failure to Supervise or Negligent Supervision**

Arising out of the failure to supervise or the negligent supervision of a person that results in one or more of the excluded events listed in paragraphs g., h., o. and p. above.

#### **Financial Transactions**

Arising out of any oral or written statement made by you or others on your behalf which is material to any financial transaction.

## SECTION II – ADDITIONAL COVERAGES

Item **4. Loss Assessment** is deleted in its entirety and replaced by the following:

### 4. Loss Assessment.

- a. We will pay up to \$50,000 for your share of loss assessment charged against you by a corporation or association of property owners, when the assessment is made as a result of:
  - (1) **"Bodily injury"** or **"property damage"** caused by an **"occurrence"** not excluded under SECTION II of this policy; or
  - (2) Liability for an act committed by a director, officer or trustee during the policy period in the capacity as a director, officer or trustee, provided:
    - (a) The director, officer or trustee is elected by the members of a corporation or association of property owners; and
    - (b) The director, officer or trustee serves without deriving any income from the exercise of duties which are solely on behalf of a corporation or association of property owners.
- b. SECTION II, Coverage L – Personal Liability Exclusion 2.a.(1) does not apply to this coverage.
- c. This coverage applies only to loss assessments charged against you as owner or tenant of the **"described location"**.
- d. We do not cover loss assessments charged against you or a corporation or association of property owners by any governmental body.
- e. This coverage applies to a covered **"occurrence"** or act even if assessed after the expiration of this policy.
- f. Regardless of the number of assessments, the limit of \$50,000 is the most we will pay for loss arising out of:
  - (1) One **"occurrence"**, including continuous or repeated exposure to substantially the same general harmful conditions; or
  - (2) A covered act of a director, officer or trustee. An act involving more than one director, officer or trustee is considered to be a single act.

## SECTION I AND II – CONDITIONS

**4. Cancellation.** Item b.(2) is deleted and replaced by the following:

- (2) 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 by letting you know at least 30 days before the date cancellation takes effect.

### 6. Subrogation.

The following paragraph is added:

If payment is made to an innocent co-**"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. Following the loss, the innocent co-**"insured"** shall not waive such rights to recover against the perpetrator of the domestic violence.

Except as specifically modified in this endorsement, all provisions of the policy to which this endorsement is attached also apply to this endorsement.

\*Applicable only when you have purchased COVERAGE L and COVERAGE M.

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