

SPECIAL PROVISIONS — MISSOURI

SECTION I — PROPERTY COVERAGES

BUILDING PROPERTY LOSSES WE DO NOT COVER

Item 6.f. is deleted and replaced by the following:

- f. birds, vermin, rodents, insects or domestic animals, except for breakage of glass;

Item 10. **Water Damage** is deleted and replaced by the following:

10. Water Damage, meaning:

- a. (1) flood, surface water, waves, tidal water, overflow of a body of water, spray from any of these, whether or not driven by wind; or
(2) release of water held by a dam, levee, dike or by a water or flood control device or structure;
- b. water below the surface of the ground, including that which exerts pressure on, or seeps or leaks through a building, wall, bulkhead, sidewalk, driveway, foundation, swimming pool, hot tub or spa, including their filtration and circulation systems, or other structure;
- c. water which escapes or overflows from sewers or drains located off the **residence premises**;
- d. water which escapes or overflows from drains or related plumbing appliances on the **residence premises**. However, this exclusion does not apply to overflow and escape caused by malfunction on the **residence premises**, or obstruction on the **residence premises**, of a drain or plumbing appliance on the **residence premises**; or
- e. water which escapes or overflows or discharges, for any reason, from within a sump pump, sump pump well or any other system designed to remove water which is drained from the foundation area.

Water includes any water borne materials.

This exclusion applies whether the water damage is caused by or resulting from human or animal forces or any act of nature.

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

Item 15. **Intentional Loss** is deleted and replaced by the following:

15. Intentional Loss.

- a. We will not pay for loss or damage, including loss or damage that is foreseeable, arising out of any act committed:
 - (1) by or at the direction of any **insured**; and
 - (2) with the intent to cause a 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 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.

PERSONAL PROPERTY WE DO NOT COVER

Item **3.a.** is deleted and replaced by the following:

- a. motorized land vehicles used solely to service a residence and not subject to motor vehicle registration or licensed for road use;
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ADDITIONAL PROPERTY COVERAGES

Under item **7. Building Ordinance or Law Coverage** the following changes are made:

Item **b.** is deleted and replaced by the following:

- b. the costs to comply with any ordinance which requires any insured or others to test for, monitor, cleanup, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, ***pollutants or contaminants***. However, for purposes of **Building Ordinance or Law Coverage**, ***pollutants or contaminants*** shall not include asbestos or materials containing asbestos or lead.

The following is added to the paragraph describing limit of liability:

In the event of a covered loss resulting from an Insurance Services Offices® declared catastrophe for the state in which the ***residence premises*** is located, the limit for Building Ordinance or Law shall be up to twice the percentage shown for Building Ordinance or Law on the Policy Declarations.

Item **14. Mortgage Acquisition Expense Coverage** is added as follows (this is item **16.** for the **New Quality-Plus** coverage level; item **18.** for the **Optimum** and **Ultra** coverage levels):

- 14. Mortgage Acquisition Expense Coverage.** In the event of a total loss of the dwelling shown in the Policy Declarations by a covered cause of loss, we will pay necessary expenses and fees toward the acquisition of a new first mortgage to repair or replace the insured dwelling, up to a maximum of \$5,000.

No deductible applies to this coverage.

This is an additional amount of insurance.

This coverage **14. Mortgage Acquisition Expense Coverage** does not apply to policies endorsed with **HOM-7428/EP 4/11, Ultra Plus/Special Ultra Plus Coverage**.

SECTION I — PROPERTY CONDITIONS

Under **5. Loss Settlement**, items **a.(3)** and **(4)** are deleted and replaced by the following:

- (3) If the cost to repair or replace is \$2,500 or more, we will pay the difference between ***actual cash value*** and ***replacement cost*** only when the damaged or destroyed property is repaired or replaced.
- (4) You may disregard the ***replacement cost*** loss settlement provisions and make claim under this policy for loss or damage to buildings on an ***actual cash value*** basis but not exceeding the smallest of the following amounts:
 - (a) the applicable limit of liability;
 - (b) the direct financial loss you incur; or
 - (c) our pro rata share of any loss when divided with any other valid and collectible insurance applying to the covered property at the time of loss.

You may still make claim on a ***replacement cost*** basis by notifying us of your intent to do so within 180 days after the date of claim.

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.

Item **7. Appraisal** is deleted and replaced by the following:

7. Appraisal

If you and we fail to agree on the ***actual cash value*** or the amount of loss, an appraisal of the loss may take place. On the written request of either, each party shall select a competent and

disinterested appraiser within 20 days after receiving the request from the other. The two appraisers will choose an umpire. If they cannot agree upon 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 state where the **residence premises** is located. The appraisers will separately set both the **actual cash value** and the amount of loss. If the appraisers submit a written report of an agreement to us, the amount agreed upon will be the **actual cash value** or the amount of 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 the umpire receives the appraisers' submissions of their differences. A decision agreed to by any two will set the amount of **actual cash value** and loss.

Each party will:

- a. Pay its own appraiser; and
- b. Bear the other expenses of the appraisal and umpire equally.

In no event will an appraisal be used for the purpose of interpreting any policy provision, determining causation or determining whether any item or loss is covered under this policy. If there is an appraisal, we still retain the right to deny the claim.

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

- 8. Suit Against Us.** No action shall be brought against us unless there has been compliance with the policy provisions and the action is started within ten years after the inception of the loss or damage.

Item **9. Our Option** is deleted and replaced by the following:

- 9. Our Option.** If we give you written notice within 15 days after we receive your signed, sworn proof of loss, we may repair or replace any part of the property damaged with equivalent property.

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

- a. pay you 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 — LIABILITY COVERAGES

LIABILITY LOSSES WE DO NOT COVER

Item **1.f.(2)(d)** is deleted and replaced by the following:

- (d) a motorized land vehicle used solely for assisting the handicapped or solely for the maintenance of a residence, which is:
 - i. not designated for travel on public roads; and
 - ii. not subject to motor vehicle registration, licensing or permits;

SECTION II — LIABILITY CONDITIONS

Under **6. Payment of Interest — Coverage E — Personal Liability**, item **e.** is deleted and replaced by the following:

- e.** prejudgment interest awarded against an **insured** on that part of the judgment we pay. If we make an offer to pay our limit of liability, we will not pay any prejudgment interest based on that period of time after the offer.

SECTIONS I AND II — PROPERTY AND LIABILITY CONDITIONS

Item **2. Concealment or Fraud** is deleted and replaced by the following:

- 2. Concealment or Fraud.** This policy was issued in reliance upon the information provided on your application. We may deny coverage under this policy if you or an **insured** have intentionally concealed or misrepresented any material fact or circumstance, or engaged in fraudulent conduct at the time application was made or any time during the policy period.

We may deny coverage for a loss or **occurrence** if you or an **insured** have intentionally concealed or misrepresented any material fact or circumstance, or engaged in fraudulent conduct, in connection with the presentation or settlement of a claim.

We may deny coverage because of fraud or material misrepresentation even after a loss or **occurrence**. This means we will not be liable for any claims or damages which would otherwise be covered. If we make a payment, we may request that you reimburse us. If so, you must reimburse us for any payments we may have already made.

Under **4. Cancellation**, item **b.(2)** and **(3)** are 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 notifying you at least 30 days before the date cancellation takes effect.
- (3)** 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 if there has been a material misrepresentation of fact which if known to us would have caused us not to issue the policy or if the risk has changed substantially since the policy was issued. This can be done by notifying you at least 30 days before the date cancellation takes effect.

Item **5. Non-Renewal** is deleted and replaced by the following:

- 5. Non-Renewal.** 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 Policy Declarations, written notice at least 30 days before the expiration date of this policy. Proof of mailing shall be sufficient proof of notice.

The following is added to item **7. Our Right to Recover Payment**:

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** may not waive such rights to recover against the perpetrator of the domestic violence.

Under **8. Death**, the following is added:

- (3)** The grantee beneficiary designated under a beneficiary deed, which has been property recorded prior to the death of the grantor, but only for the period from the date of the person's death until the first of the following occurs:
 - (a)** a period of 30 days from the date of the **insured** death;
 - (b)** the date that alternative coverage is obtained on such property; or
 - (c)** the end of the policy period as shown in the Policy Declarations.

POLICY DEFINITIONS

Under **3.a. "Actual Cash Value"**, item **(4)** is deleted.

All other provisions of this policy apply.