

FORMS – IMPLEMENTATION

SEPTEMBER 22, 2021

AGRICULTURAL CAPITAL ASSETS (OUTPUT POLICY)	LI-AG-2021-023
BUSINESSOWNERS	LI-BP-2021-115
COMMERCIAL PROPERTY	LI-CF-2021-044
COMMERCIAL INLAND MARINE	LI-CM-2021-021
FARM	LI-FR-2021-084
HOME HEALTHCARE	LI-HH-2021-010
CAPITAL ASSETS PROGRAM (OUTPUT POLICY)	LI-OP-2021-023

MISSOURI REVISED LOSS PAYMENT PROVISIONS IN RESPONSE TO MISSOURI FORMER H.B. 604 TO BE IMPLEMENTED

KEY MESSAGE

Revisions to various Commercial Lines Missouri Changes Endorsements in response to 2021 Mo. Sess. Laws ____ (former H.B. 604) to be implemented.

Filing ID: CL-2021-OEND1

Effective Date: April 1, 2022

Applicable Lines: AG, BP, CF, CM, FR, HH, OP

UPGRADE TO WORD AND EXCEL DOCUMENTS

As previously noted, ISO is implementing changes to our authoring and delivery systems so that **newly created** documents will be delivered in Office 365 .docx/.xlsx format to be phased in by product/service. In addition to **form** documents, we are pleased to announce that during the third quarter 2021, you will be receiving **circular cover letter** and **Notice To Manualholders (NTM)** documents in .docx format delivered/accessed via Circulars, CLM, EFD, ERC, Filings, FIRST, Forms Library, PRM and Suite +. Changes continue for other document types to be phased in by product/service. Products impacted include, but are not limited to, documents delivered/accessed via Circulars, CLM, EFD, ERC, Filings, FIRST, Forms Library (including PolicyWriting Support Forms Instructional Supplement), PRM, Statistical Plans and Suite +.

BACKGROUND

In circular [LI-AG-2021-022](#), et al., we announced the submission of forms filing CL-2021-OEND1, which revised various Commercial Lines Missouri Changes Endorsements in response to 2021 Mo. Sess. Laws ____ (former H.B. 604).

INSURANCE DEPARTMENT ACTION

The Missouri Department of Insurance has acknowledged this revision as filed.

EFFECTIVE DATE

The ISO revision is subject to the following rule of application:

These changes are applicable to all policies written on or after April 1, 2022.

COMPANY ACTION

If you have authorized us to file on your behalf and decide:

- To use our revision and effective date, you are not required to file anything with the Insurance Department.
- To use our revision with a different effective date, to use our revision with modification, or to not use our revision, you must make an appropriate submission with the Insurance Department.

For guidance on submission requirements, consult the ISO State Filing Handbook.

In all correspondence with the Insurance Department on this revision, you should refer to ISO Filing Designation Number [CL-2021-OEND1](#), not this circular number. Communications with the regulator concerning a filing affecting multiple lines of business (i.e., CL, PL, AL filing designation) should specify the line(s) of business that you are addressing.

RATING SOFTWARE IMPACT

New attributes being introduced with this revision:

- New edition dates of existing form numbers are being introduced.

POLICYHOLDER NOTIFICATION

If you decide to implement this revision, you should check all applicable laws for the state(s) to which this revision applies, to determine whether or not a specific policyholder notice requirement may apply. Please note that circular [LI-CL-2021-004](#) contains the ISO Guide To Renewals With Changed Conditions For Commercial Lines, which is available only as a guide to assist participating companies in complying with various conditional renewal statutes or regulations, for the major commercial lines of insurance serviced by ISO. The information in the Guide does not necessarily reflect all requirements or exceptions that may apply, and it is not intended as a substitute for your review of all applicable statutes and regulations concerning policyholder notification.

REVISION DISTRIBUTION

We will issue a Notice to Portfolioholders with an edition date of 4-22 (or the earliest possible subsequent date), along with any new and/or revised forms.

REFERENCE(S)

- [LI-AG-2021-022/LI-BP-2021-103/LI-CF-2021-040/LI-CM-2021-020/LI-FR-2021-083/LI-HH-2021-009/LI-OP-2021-022](#) (09/03/2021) Missouri Loss Payment Provisions Revised In Response To Missouri Former H.B. 604
- [LI-CL-2021-032](#) (07/22/2021) Missouri H.B. 604 Under Review
- [LI-CL-2021-004](#) (02/17/2021) Revised Lead Time Requirements Listing

ATTACHMENT(S)

Final copies of the forms updated in filing CL-2021-OEND1

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

MISSOURI CHANGES

This endorsement modifies insurance provided under the following:

AGRICULTURAL CAPITAL ASSETS (OUTPUT POLICY) COVERAGE PART

- A.** The **Cancellation** Common Policy Condition is replaced by the following:

Cancellation, Nonrenewal And Decreases In Coverage

1. The first Named Insured shown in the Declarations may cancel this policy by mailing or delivering to us advance written notice of cancellation.
2. We may cancel, nonrenew, reduce in amount or adversely modify this policy by mailing or delivering to the first Named Insured written notice of this action at least:
 - a. 10 days before the effective date of this action if due to nonpayment of premium or evidence of incendiarism; or
 - b. 30 days before the effective date of this action if for any other reason.
3. We will mail or deliver our notice to the first Named Insured's last mailing address known to us.
4. Notice of:
 - a. Cancellation will state the effective date of cancellation. The policy period will end on that date.
 - b. Any other action will state the effective date of that action.
5. If this policy is cancelled, we will send the first Named Insured any premium refund due. The cancellation will be effective even if we have not made or offered a refund. The following provisions govern calculation of return premium:
 - a. We will compute return premium pro rata and round to the next higher whole dollar when this policy is:
 - (1) Cancelled by us or at our request;
 - (2) Cancelled because you no longer have a financial or insurable interest in the property or business operation that is the subject of this insurance;

- (3) Cancelled but rewritten with us or in our company group; or

- (4) Cancelled after the first year, if it is a prepaid policy written for a term of more than one year.

- b. When this policy is cancelled at the request of the first Named Insured (except when Paragraph **a.(2)**, **a.(3)** or **a.(4)** applies), we will return 90% of the pro rata unearned premium, rounded to the next higher whole dollar. However, when such cancellation takes place during the first year of a multi-year prepaid policy, we will return the full annual premium for the subsequent years.

The refund will be less than 90% of the pro rata unearned premium if the refund of such amount would reduce the premium retained by us to an amount less than the minimum premium for this policy.

6. If notice is mailed, proof of mailing will be sufficient proof of notice.

- B.** Paragraph **c.** of the **Loss Payment** Loss Condition is replaced by the following:

In the event of loss or damage covered under this Coverage Part, we will give you notice, within 15 working days after we receive a properly executed proof of loss, that we:

1. Accept your claim;
2. Deny your claim; or
3. Need more time to determine whether your claim should be accepted or denied.

If we deny your claim, such notice will be in writing, and will state any policy provision, condition or exclusion used as a basis for the denial.

If we need more time to determine whether your claim should be accepted or denied, the written notice will state the reason(s) why more time is needed.

If we have not completed our investigation, we will notify you again in writing, within 45 days after the date the initial notice is sent informing you that we need more time to determine whether your claim should be accepted or denied and thereafter every 45 days. The written notice shall state why more time is needed to investigate your claim.

- C. The Appraisal Loss Condition** is replaced by the following:

Appraisal

If we and you disagree on the value of the property, the amount of Net Income and operating expense or the amount of loss, either may make written demand for an appraisal of the loss. In this event, each party will select a competent and impartial appraiser and notify the other of the appraiser selected within 20 days of the written demand for appraisal. The two appraisers will select an umpire. If they cannot agree upon an umpire within 15 days, then, upon your or our request, an 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 will state separately the value of the property, the amount of Net Income and operating expense or the amount of loss. If they fail to agree, they will submit their differences to the umpire. The umpire shall make an award within 30 days after the umpire receives the appraisers' submissions of their differences. A decision agreed to by any two will be binding.

Each party will:

1. Pay its chosen appraiser; and
2. Bear the other expenses of the appraisal and umpire equally.

If there is an appraisal, we will still retain our right to deny the claim.

- D. The Legal Action Against Us Condition** is replaced by the following:

Legal Action Against Us

No one may bring a legal action against us under this Coverage Part unless:

1. There has been full compliance with all of the terms of this Coverage Part; and
2. The action is brought within 10 years after the date on which the direct physical loss or damage occurred.

E. Missouri Property And Casualty Insurance Guaranty Association Coverage Limitations

1. Subject to the provisions of the Missouri Property and Casualty Insurance Guaranty Association Act (to be referred to as the Act), if we are a member of the Missouri Property and Casualty Insurance Guaranty Association (to be referred to as the Association), the Association will pay claims covered under the Act if we become insolvent.

2. The Act contains various exclusions, conditions and limitations that govern a claimant's eligibility to collect payment from the Association and affect the amount of any payment. The following limitations apply, subject to all other provisions of the Act:

- a. Claims covered by the Association do not include a claim by or against an insured of an insolvent insurer, if the insured has a net worth of more than \$25 million on the later of the end of the insured's most recent fiscal year or 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 consolidated basis.
- b. Payments made by the Association for covered claims will include only that amount of each claim which is less than \$300,000.

However, the Association will not:

- (1) Pay an amount in excess of the applicable Limit of Insurance of the policy from which a claim arises; or
- (2) Return to an insured any unearned premium in excess of \$25,000.

These limitations have no effect on the coverage we will provide under this policy.

- F. The Intentional Loss Exclusion** is replaced by the following:

Intentional Loss

1. We will not pay for loss or damage 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.

2. However, this exclusion will not apply to deny coverage to an innocent coinsured who did not cooperate in or contribute to the creation of the loss, provided the loss is otherwise covered under this Coverage Form and the loss arose out of domestic violence. Such coverage will be provided only if the innocent coinsured files a police report and completes a sworn affidavit indicating 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 you are an individual, an innocent coinsured includes an innocent "family member".

3. If we pay a claim pursuant to Paragraph F.2., our payment to the innocent coinsured will be limited to that insured's ownership interest in the property as reduced by any payment to a mortgagee or other secured interest; however, we shall not be required to make any subsequent payment for any loss for which the innocent coinsured has received payment. In no event will we pay more than the Limit of Insurance.

G. The following is added to the Transfer Of Rights Of Recovery Against Others To Us Loss Condition:

If we pay an innocent coinsured for loss arising out of an act of domestic violence by another insured, the rights of the innocent coinsured to recover damages from the abuser are transferred to us to the extent of our payment. Following the loss, the innocent coinsured may not waive such rights to recover against the abuser.

H. The following is added with respect to the Additional Coverages of Debris Removal and Pollution Cleanup And Removal, and relates only to the requirement to report expenses to us within 180 days of the specified occurrence:

If you fail to report the expenses to us within the 180-day time frame, such failure will not invalidate a claim under Debris Removal or Pollution Cleanup And Removal unless such failure operates to prejudice our rights.

I. When the **Valuation** Loss Condition applies, the following is added with respect to these provisions and relates only to the requirement to notify us of your intent to submit an additional claim (for the difference between the actual cash value and replacement cost) within 180 days after the loss or damage occurs:

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.

J. The Transfer Of Your Rights And Duties Under This Policy Common Policy Condition is replaced by the following:

1. Transfer By Beneficiary Deed

If you convey real property insured under this policy to a person (known as a grantee beneficiary) designated under a beneficiary deed, which has been properly recorded prior to your death, that person will have your rights and duties with respect to the insured real property, but only for the period from the date of your death until the first of the following occurs:

- a. A period of 30 days from the date of your death;
- b. The date that alternative coverage is obtained on your property; or
- c. The end of the policy period as shown in the Declarations.

2. Transfer By Other Means Following Death

If you die, your rights and duties will be transferred to your legal representative but only while acting within the scope of duties as your legal representative. Until your legal representative is appointed, anyone having proper temporary custody of your property will have your rights and duties, but only with respect to that property. Your rights and duties under this policy may not be transferred without our written consent except in the case of death of an individual Named Insured.

K. Calculation Of Additional Premium

1. If changes are made to this policy after the beginning of the current policy period, and such changes require an additional premium, the additional premium will be prorated to recognize the actual period of coverage.

2. Changes To A Covered Location

If changes are made to a location that was covered at the beginning of the current policy period, and those changes require additional premium (e.g., an increase in the limit of insurance), we will calculate the additional premium using the rates and rules which were in effect on the effective date of the current policy period.

3. Additional Locations

- a. If a location(s) is added to the policy after the beginning of the current policy period, we will calculate the premium for that location(s), including all coverages, options and causes of loss at that location(s), using the rates and rules which are in effect when the location(s) is added.

- b. If changes are subsequently made to a location(s) described in Paragraph **3.a.** above, and those changes require additional premium, we will calculate the additional premium using the rates and rules which were in effect when the location(s) was added.

4. Any additional premium calculated in accordance with this endorsement will be charged in full, whether or not we applied a policywriting minimum premium in developing the premium that was charged at the beginning of the current policy period.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

MISSOURI CHANGES

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM
INFORMATION SECURITY PROTECTION ENDORSEMENT

A. Section I – Property is amended as follows:

1. The following exclusion and related provisions are added to Paragraph **B.2. Exclusions**:

- a.** We will not pay for loss or damage 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.

- b.** However, this exclusion will not apply to deny coverage to an innocent coinsured who did not cooperate in or contribute to the creation of the loss, provided the loss is otherwise covered under this policy and the loss arose out of domestic violence. Such coverage will be provided only if the innocent coinsured files a police report and completes a sworn affidavit indicating both:

- (1)** The cause of the loss; and
- (2)** A pledge to cooperate in any criminal prosecution of the person committing the act causing the loss.

- c.** If we pay a claim pursuant to Paragraph **A.1.b.**, our payment to the innocent coinsured will be limited to that insured's ownership interest in the property as reduced by any payment to a mortgagee or other secured interest; however, we shall not be required to make any subsequent payment for any loss for which the innocent coinsured has received payment. In no event will we pay more than the Limit of Insurance.

2. Paragraph **A.5. Additional Coverages** is amended as follows:

The following is added to Paragraph **a.(1) Debris Removal** and Paragraph **h. Pollutant Cleanup And Removal** and relates only to the requirement to report expenses to us within 180 days of the specified occurrence:

If you fail to report the expenses to us within the 180-day time frame, such failure will not invalidate a claim under this coverage unless such failure operates to prejudice our rights.

3. Paragraph **E. Property Loss Conditions** is amended as follows:

a. Paragraph **2. Appraisal** is replaced by the following:

2. Appraisal

If we and you disagree on the value of the property or the amount of loss, either may make written demand for an appraisal of the loss. In this event, each party will select a competent and impartial appraiser and notify the other of the appraiser selected within 20 days of the written demand for appraisal. The two appraisers will select an umpire. If they cannot agree upon an umpire within 15 days, then, upon your or our request, an 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 will state separately the value of the property and amount of loss. If they fail to agree, they will submit their differences to the umpire. The umpire shall make an award within 30 days after the umpire receives the appraisers' submissions of their differences. A decision agreed to by any two will be binding. Each party will:

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

If there is an appraisal, we will still retain our right to deny the claim.

b. Paragraph **4. Legal Action Against Us** is replaced by the following:

4. Legal Action Against Us

No one may bring a legal action against us under this insurance unless:

- a. There has been full compliance with all of the terms of this insurance; and
- b. The action is brought within 10 years after the date on which the direct physical loss or damage occurred.

c. Subparagraph **5.b. Loss Payment** is replaced by the following:

- b. In the event of any loss or damage covered by this policy, we will give you notice, within 15 working days after we receive a properly executed proof of loss, that we:

- (1) Accept your claim;

- (2) Deny your claim; or

- (3) Need more time to determine whether your claim should be accepted or denied.

If we deny your claim, such notice will be in writing, and will state any policy provision, condition or exclusion used as a basis for the denial.

If we need more time to determine whether your claim should be accepted or denied, the written notice will state the reason(s) why more time is needed.

If we have not completed our investigation, we will notify you again in writing, within 45 days after the date the initial notice is sent as provided in **b.(3)**, and thereafter every 45 days. The written notice shall state why more time is needed to investigate your claim.

d. The following is added to Paragraph **5. Loss Payment** Property Loss Condition:

When the Replacement Cost Coverage applies, the following is added with respect to such coverage, and relates only to the requirement to notify us of your intent to submit an additional claim (for the difference between actual cash value and replacement cost) to us within 180 days after the loss or damage occurs:

If you fail to notify us of your intent to submit the additional claim to us within the 180-day time frame, such failure will not invalidate that claim, unless such failure operates to prejudice our rights.

B. Section II – Liability is amended as follows:

Subparagraph **A.2.a.(3)(b) Medical Expenses** is replaced by the following:

- (b) The expenses are incurred and reported within one year of the date of the accident. However, expenses reported to us after one year of the date of the accident will not be denied solely because of the late submission, unless such late submission operates to prejudice our rights; and

C. Section III – Common Policy Conditions is amended as follows:

1. Paragraph **A.2. Cancellation** is replaced by the following:
 2. We may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation, stating the actual reason for cancellation, at least:
 - a. 10 days before the effective date of cancellation if we cancel for nonpayment of premium.
 - b. 30 days before the effective date of cancellation if cancellation is for one or more of the following reasons:
 - (1) Fraud or material misrepresentation affecting this policy or a claim filed under this policy or a violation of any of the terms or conditions of this policy;
 - (2) Changes in conditions after the effective date of this policy which have materially increased the risk assumed;
 - (3) We become insolvent; or
 - (4) We involuntarily lose reinsurance for this policy.
 - c. 60 days before the effective date of cancellation if we cancel for any other reason.
2. Paragraph **A.5. Cancellation** is replaced by the following:
 5. If this policy is cancelled, we will send the first Named Insured any premium refund due. The cancellation will be effective even if we have not made or offered a refund. The following provisions govern calculation of return premium:
 - a. We will compute return premium pro rata and round to the next higher whole dollar when this policy is:
 - (1) Cancelled by us or at our request;
 - (2) Cancelled because you no longer have a financial or insurable interest in the property or business operation that is the subject of this insurance;
 - (3) Cancelled but rewritten with us or in our company group; or
 - (4) Cancelled after the first year, if it is a prepaid policy written for a term of more than one year.

- b. When this policy is cancelled at the request of the first Named Insured (except when Paragraph **a.(2)**, **a.(3)** or **a.(4)** applies), we will return 90% of the pro rata unearned premium, rounded to the next higher whole dollar. However, when such cancellation takes place during the first year of a multiyear prepaid policy, we will return the full annual premium for the subsequent years.

The refund will be less than 90% of the pro rata unearned premium if the refund of such amount would reduce the premium retained by us to an amount less than the minimum premium for this policy.

3. Paragraph **H. Other Insurance** is replaced by the following:

H. Other Insurance

We shall not be liable for a greater proportion of any loss than the amount hereby insured shall bear to the whole insurance covering the property against the peril involved, whether collectible or not.

4. The following is added to Paragraph **K. Transfer Of Rights Of Recovery Against Others To Us**:

If we pay an innocent coinsured for loss arising out of an act of domestic violence by another insured, the rights of the innocent coinsured to recover damages from the abuser are transferred to us to the extent of our payment. Following the loss, the innocent coinsured may not waive such rights to recover against the abuser.

5. Paragraph **L. Transfer Of Your Rights And Duties Under This Policy** is replaced by the following:

L. Transfer By Beneficiary Deed

If you convey real property insured under this policy to a person (known as a grantee beneficiary) designated under a beneficiary deed, which has been properly recorded prior to your death, that person will have your rights and duties with respect to the insured real property, but only for the period from the date of your death until the first of the following occurs:

1. A period of 30 days from the date of your death;

2. The date that alternative coverage is obtained on your property; or
3. The end of the policy period as shown in the Declarations.

M. Transfer By Other Means Following Death

If you die, your rights and duties will be transferred to your legal representative but only while acting within the scope of duties as your legal representative. Until your legal representative is appointed, anyone having proper temporary custody of your property will have your rights and duties, but only with respect to that property. Your rights and duties under this policy may not be transferred without our written consent except in the case of death of an individual Named Insured.

6. The following paragraph is added and supersedes any provision to the contrary:

N. Nonrenewal

1. We may elect not to renew this policy by mailing or delivering to the first Named Insured, at the last mailing address known to us, written notice of nonrenewal, stating the actual reason for nonrenewal, at least 60 days prior to the effective date of the nonrenewal.
2. If notice is mailed, proof of mailing will be sufficient proof of notice.

- D. The following is added to the Businessowners Coverage Form:

Missouri Property And Casualty Insurance Guaranty Association Coverage Limitations

1. Subject to the provisions of the Missouri Property and Casualty Insurance Guaranty Association Act (to be referred to as the Act), if we are a member of the Missouri Property and Casualty Insurance Guaranty Association (to be referred to as the Association), the Association will pay claims covered under the Act if we become insolvent.

2. The Act contains various exclusions, conditions and limitations that govern a claimant's eligibility to collect payment from the Association and affect the amount of any payment. The following limitations apply, subject to all other provisions of the Act:

- a. Claims covered by the Association do not include a claim by or against an insured of an insolvent insurer, if the insured has a net worth of more than \$25 million on the later of the end of the insured's most recent fiscal year or the December 31st 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 consolidated basis.

- b. Payments made by the Association for covered claims will include only that amount of each claim which is less than \$300,000.

However, the Association will not:

- (1) Pay an amount in excess of the applicable Limit of Insurance of the policy from which a claim arises; or
- (2) Return to an insured any unearned premium in excess of \$25,000.

These limitations have no effect on the coverage we will provide under this policy.

- E. The following changes apply only to Information Security Protection Endorsement **BP 15 07** if it is attached to this policy:

The first paragraph in the **Duties In The Event Of Claim Or Loss** Condition under Paragraph **M.** is replaced by the following:

In the event of either an occurrence or offense that may result in a "claim" against an insured or a "loss" or situation that may result in a "loss" covered under this endorsement, you must notify us in writing as soon as practicable, but not to exceed 30 days, and cooperate with us in the investigation and settlement of the "claim" or "loss". If you fail to notify us within the 30-day timeframe, such failure will not invalidate a "claim" under this endorsement unless such failure operates to prejudice our rights. Additionally:

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

MISSOURI CHANGES

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

A. Section I – Property is amended as follows:

1. The following exclusion and related provisions are added to Paragraph **B.2. Exclusions**:

- a.** We will not pay for loss or damage 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.

- b.** However, this exclusion will not apply to deny coverage to an innocent coinsured who did not cooperate in or contribute to the creation of the loss, provided the loss is otherwise covered under this Policy and the loss arose out of domestic violence. Such coverage will be provided only if the innocent coinsured files a police report and completes a sworn affidavit indicating both:

- (1)** The cause of the loss; and
- (2)** A pledge to cooperate in any criminal prosecution of the person committing the act causing the loss.

- c.** If we pay a claim pursuant to Paragraph **A.1.b.**, our payment to the innocent coinsured will be limited to that insured's ownership interest in the property as reduced by any payment to a mortgagee or other secured interest; however, we shall not be required to make any subsequent payment for any loss for which the innocent coinsured has received payment. In no event will we pay more than the Limit of Insurance.

2. Paragraph **A.5. Additional Coverages** is amended as follows:

The following is added to Paragraph **a.(1) Debris Removal** and Paragraph **h. Pollutant Clean-up And Removal** and relates only to the requirement to report expenses to us within 180 days of the specified occurrence:

If you fail to report the expenses to us within the 180-day time frame, such failure will not invalidate a claim under this coverage unless such failure operates to prejudice our rights.

3. Paragraph **E. Property Loss Conditions** is amended as follows:

- a. Paragraph **2. Appraisal** is replaced by the following:

2. Appraisal

If we and you disagree on the value of the property or the amount of loss, either may make written demand for an appraisal of the loss. In this event, each party will select a competent and impartial appraiser and notify the other of the appraiser selected within 20 days of the written demand for appraisal. The two appraisers will select an umpire. If they cannot agree upon an umpire within 15 days, then, upon your or our request, an 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 will state separately the value of the property and amount of loss. If they fail to agree, they will submit their differences to the umpire. The umpire shall make an award within 30 days after the umpire receives the appraisers' submissions of their differences. A decision agreed to by any two will be binding. Each party will:

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

If there is an appraisal, we will still retain our right to deny the claim.

- b. Paragraph **4. Legal Action Against Us** is replaced by the following:

4. Legal Action Against Us

No one may bring a legal action against us under this insurance unless:

- a. There has been full compliance with all of the terms of this insurance; and
- b. The action is brought within 10 years after the date on which the direct physical loss or damage occurred.

- c. Subparagraph **5.b. Loss Payment** is replaced by the following:

- b. In the event of any loss or damage covered by this Policy, we will give you notice, within 15 working days after we receive a properly executed proof of loss, that we:

- (1) Accept your claim;

- (2) Deny your claim; or

- (3) Need more time to determine whether your claim should be accepted or denied.

If we deny your claim, such notice will be in writing, and will state any policy provision, condition or exclusion used as a basis for the denial.

If we need more time to determine whether your claim should be accepted or denied, the written notice will state the reason(s) why more time is needed.

If we have not completed our investigation, we will notify you again in writing, within 45 days after the date the initial notice is sent as provided in **b.(3)**, and thereafter every 45 days. The written notice shall state why more time is needed to investigate your claim.

- d. The following is added to Paragraph **5. Loss Payment** Property Loss Condition:

When the Replacement Cost Coverage applies, the following is added with respect to such coverage, and relates only to the requirement to notify us of your intent to submit an additional claim (for the difference between actual cash value and replacement cost) to us within 180 days after the loss or damage occurs:

If you fail to notify us of your intent to submit the additional claim to us within the 180-day time frame, such failure will not invalidate that claim, unless such failure operates to prejudice our rights.

B. Section III – Common Policy Conditions is amended as follows:

1. Paragraph **A.2. Cancellation** is replaced by the following:

- 2. We may cancel this Policy by mailing or delivering to the first Named Insured written notice of cancellation, stating the actual reason for cancellation, at least:

- a. 10 days before the effective date of cancellation if we cancel for nonpayment of premium.

- b. 30 days before the effective date of cancellation if cancellation is for one or more of the following reasons:
 - (1) Fraud or material misrepresentation affecting this Policy or a claim filed under this Policy or a violation of any of the terms or conditions of this Policy;
 - (2) Changes in conditions after the effective date of this Policy which have materially increased the risk assumed;
 - (3) We become insolvent; or
 - (4) We involuntarily lose reinsurance for this Policy.
 - c. 60 days before the effective date of cancellation if we cancel for any other reason.
- 2. Paragraph **A.5. Cancellation** is replaced by the following:
 - 5. If this Policy is cancelled, we will send the first Named Insured any premium refund due. The cancellation will be effective even if we have not made or offered a refund. The following provisions govern calculation of return premium:
 - a. We will compute return premium pro rata and round to the next higher whole dollar when this Policy is:
 - (1) Cancelled by us or at our request;
 - (2) Cancelled because you no longer have a financial or insurable interest in the property or business operation that is the subject of this insurance;
 - (3) Cancelled but rewritten with us or in our company group; or
 - (4) Cancelled after the first year, if it is a prepaid policy written for a term of more than one year.
 - b. When this Policy is cancelled at the request of the first Named Insured (except when Paragraph **a.(2)**, **a.(3)** or **a.(4)** applies), we will return 90% of the pro rata unearned premium, rounded to the next higher whole dollar. However, when such cancellation takes place during the first year of a multiyear prepaid policy, we will return the full annual premium for the subsequent years.

The refund will be less than 90% of the pro rata unearned premium if the refund of such amount would reduce the premium retained by us to an amount less than the minimum premium for this Policy.

- 3. Paragraph **H. Other Insurance** is replaced by the following:

H. Other Insurance

We shall not be liable for a greater proportion of any loss than the amount hereby insured shall bear to the whole insurance covering the property against the peril involved, whether collectible or not.

- 4. The following is added to Paragraph **K. Transfer Of Rights Of Recovery Against Others To Us**:

If we pay an innocent coinsured for loss arising out of an act of domestic violence by another insured, the rights of the innocent coinsured to recover damages from the abuser are transferred to us to the extent of our payment. Following the loss, the innocent coinsured may not waive such rights to recover against the abuser.

- 5. Paragraph **L. Transfer Of Your Rights And Duties Under This Policy** is replaced by the following:

L. Transfer By Beneficiary Deed

If you convey real property insured under this Policy to a person (known as a grantee beneficiary) designated under a beneficiary deed, which has been properly recorded prior to your death, that person will have your rights and duties with respect to the insured real property, but only for the period from the date of your death until the first of the following occurs:

- 1. A period of 30 days from the date of your death;
- 2. The date that alternative coverage is obtained on your property; or
- 3. The end of the policy period as shown in the Declarations.

M. Transfer By Other Means Following Death

If you die, your rights and duties will be transferred to your legal representative but only while acting within the scope of duties as your legal representative. Until your legal representative is appointed, anyone having proper temporary custody of your property will have your rights and duties, but only with respect to that property. Your rights and duties under this Policy may not be transferred without our written consent except in the case of death of an individual Named Insured.

6. The following paragraph is added and supersedes any provision to the contrary:

N. Nonrenewal

1. We may elect not to renew this Policy by mailing or delivering to the first Named Insured, at the last mailing address known to us, written notice of nonrenewal, stating the actual reason for nonrenewal, at least 60 days prior to the effective date of the nonrenewal.
2. If notice is mailed, proof of mailing will be sufficient proof of notice.

- C. The following is added to the Businessowners Coverage Form:

Missouri Property And Casualty Insurance Guaranty Association Coverage Limitations

1. Subject to the provisions of the Missouri Property and Casualty Insurance Guaranty Association Act (to be referred to as the Act), if we are a member of the Missouri Property and Casualty Insurance Guaranty Association (to be referred to as the Association), the Association will pay claims covered under the Act if we become insolvent.
 2. The Act contains various exclusions, conditions and limitations that govern a claimant's eligibility to collect payment from the Association and affect the amount of any payment. The following limitations apply, subject to all other provisions of the Act:
 - a. Claims covered by the Association do not include a claim by or against an insured of an insolvent insurer, if the insured has a net worth of more than \$25 million on the later of the end of the insured's most recent fiscal year or the December 31st 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 consolidated basis.
 - b. Payments made by the Association for covered claims will include only that amount of each claim which is less than \$300,000.

However, the Association will not:

 - (1) Pay an amount in excess of the applicable Limit of Insurance of the Policy from which a claim arises; or
 - (2) Return to an insured any unearned premium in excess of \$25,000.
- These limitations have no effect on the coverage we will provide under this Policy.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

MISSOURI CHANGES – MICRO-BUSINESSOWNERS

This endorsement modifies insurance provided under the following:

MICRO-BUSINESSOWNERS COVERAGE FORM

A. Section I – Property is amended as follows:

1. The following exclusion and related provisions are added to Paragraph **B.2. Exclusions**:

- a.** We will not pay for loss or damage 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.

- b.** However, this exclusion will not apply to deny coverage to an innocent coinsured who did not cooperate in or contribute to the creation of the loss, provided the loss is otherwise covered under this Policy and the loss arose out of domestic violence. Such coverage will be provided only if the innocent coinsured files a police report and completes a sworn affidavit indicating both:

- (1)** The cause of the loss; and
(2) A pledge to cooperate in any criminal prosecution of the person committing the act causing the loss.

- c.** If we pay a claim pursuant to Paragraph **A.1.b.**, our payment to the innocent coinsured will be limited to that insured's ownership interest in the property as reduced by any payment to a secured interest; however, we shall not be required to make any subsequent payment for any loss for which the innocent coinsured has received payment. In no event will we pay more than the Limit of Insurance.

2. Paragraph **E. Property Loss Conditions** is amended as follows:

- a.** Paragraph **2. Appraisal** is replaced by the following:

2. Appraisal

If we and you disagree on the value of the property or the amount of loss, either may make written demand for an appraisal of the loss. In this event, each party will select a competent and impartial appraiser and notify the other of the appraiser selected within 20 days of the written demand for appraisal. The two appraisers will select an umpire. If they cannot agree upon an umpire within 15 days, then, upon your or our request, an 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 will state separately the value of the property and amount of loss. If they fail to agree, they will submit their differences to the umpire. The umpire shall make an award within 30 days after the umpire receives the appraisers' submissions of their differences. A decision agreed to by any two will be binding. Each party will:

- a.** Pay its chosen appraiser; and

- b. Bear the other expenses of the appraisal and umpire equally.

If there is an appraisal, we will still retain our right to deny the claim.

- b. Paragraph **4. Legal Action Against Us** is replaced by the following:

4. Legal Action Against Us

No one may bring a legal action against us under this insurance unless:

- a. There has been full compliance with all of the terms of this insurance; and
- b. The action is brought within 10 years after the date on which the direct physical loss or damage occurred.

- c. Subparagraph **5.b. Loss Payment** is replaced by the following:

- b. In the event of any loss or damage covered by this Policy, we will give you notice, within 15 working days after we receive a properly executed proof of loss, that we:

- (1) Accept your claim;
- (2) Deny your claim; or
- (3) Need more time to determine whether your claim should be accepted or denied.

If we deny your claim, such notice will be in writing, and will state any policy provision, condition or exclusion used as a basis for the denial.

If we need more time to determine whether your claim should be accepted or denied, the written notice will state the reason(s) why more time is needed.

If we have not completed our investigation, we will notify you again in writing, within 45 days after the date the initial notice is sent as provided in **b.(3)**, and thereafter every 45 days. The written notice shall state why more time is needed to investigate your claim.

- d. The following is added to Paragraph **5. Loss Payment** Property Loss Condition:

When the Replacement Cost Coverage applies, the following is added with respect to such coverage, and relates only to the requirement to notify us of your intent to submit an additional claim (for the difference between actual cash value and replacement cost) to us within 180 days after the loss or damage occurs:

If you fail to notify us of your intent to submit the additional claim to us within the 180-day time frame, such failure will not invalidate that claim, unless such failure operates to prejudice our rights.

- B. Section II – Liability** is amended as follows:

Subparagraph **A.2.a.(3)(b) Medical Expenses** is replaced by the following:

- (b) The expenses are incurred and reported within one year of the date of the accident. However, expenses reported to us after one year of the date of the accident will not be denied solely because of the late submission, unless such late submission operates to prejudice our rights; and

- C. Section III – Common Policy Conditions** is amended as follows:

- 1. Paragraph **A.2. Cancellation** is replaced by the following:

- 2. We may cancel this Policy by mailing or delivering to the first Named Insured written notice of cancellation, stating the actual reason for cancellation, at least:

- a. 10 days before the effective date of cancellation if we cancel for nonpayment of premium.

- b. 30 days before the effective date of cancellation if cancellation is for one or more of the following reasons:
 - (1) Fraud or material misrepresentation affecting this Policy or a claim filed under this Policy or a violation of any of the terms or conditions of this policy;
 - (2) Changes in conditions after the effective date of this Policy which have materially increased the risk assumed;
 - (3) We become insolvent; or
 - (4) We involuntarily lose reinsurance for this Policy.
 - c. 60 days before the effective date of cancellation if we cancel for any other reason.
2. Paragraph **A.5. Cancellation** is replaced by the following:
- 5. If this Policy is cancelled, we will send the first Named Insured any premium refund due. The cancellation will be effective even if we have not made or offered a refund. The following provisions govern calculation of return premium:
 - a. We will compute return premium pro rata and round to the next higher whole dollar when this Policy is:
 - (1) Cancelled by us or at our request;
 - (2) Cancelled because you no longer have a financial or insurable interest in the property or business operation that is the subject of this insurance; or
 - (3) Cancelled but rewritten with us or in our company group.
 - b. When this Policy is cancelled at the request of the first Named Insured (except when Paragraph **a.(2)** or **a.(3)** applies), we will return 90% of the pro rata unearned premium, rounded to the next higher whole dollar.

The refund will be less than 90% of the pro rata unearned premium if the refund of such amount would reduce the premium retained by us to an amount less than the minimum premium for this Policy.

- 3. Paragraph **H. Other Insurance** is replaced by the following:

H. Other Insurance

We shall not be liable for a greater proportion of any loss than the amount hereby insured shall bear to the whole insurance covering the property against the peril involved, whether collectible or not.

- 4. The following is added to Paragraph **K. Transfer Of Rights Of Recovery Against Others To Us**:

If we pay an innocent coinsured for loss arising out of an act of domestic violence by another insured, the rights of the innocent coinsured to recover damages from the abuser are transferred to us to the extent of our payment. Following the loss, the innocent coinsured may not waive such rights to recover against the abuser.

- 5. The following paragraph is added and supersedes any provision to the contrary:

M. Nonrenewal

- 1. We may elect not to renew this Policy by mailing or delivering to the first Named Insured, at the last mailing address known to us, written notice of nonrenewal, stating the actual reason for nonrenewal, at least 60 days prior to the effective date of the nonrenewal.
- 2. If notice is mailed, proof of mailing will be sufficient proof of notice.

- D. The following is added to the Micro-businessowners Coverage Form:

Missouri Property And Casualty Insurance Guaranty Association Coverage Limitations

- 1. Subject to the provisions of the Missouri Property and Casualty Insurance Guaranty Association Act (to be referred to as the Act), if we are a member of the Missouri Property and Casualty Insurance Guaranty Association (to be referred to as the Association), the Association will pay claims covered under the Act if we become insolvent.

2. The Act contains various exclusions, conditions and limitations that govern a claimant's eligibility to collect payment from the Association and affect the amount of any payment. The following limitations apply, subject to all other provisions of the Act:

a. Claims covered by the Association do not include a claim by or against an insured of an insolvent insurer, if the insured has a net worth of more than \$25 million on the later of the end of the insured's most recent fiscal year or the December 31st 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 consolidated basis.

b. Payments made by the Association for covered claims will include only that amount of each claim which is less than \$300,000.

However, the Association will not:

(1) Pay an amount in excess of the applicable Limit of Insurance of the policy from which a claim arises; or

(2) Return to an insured any unearned premium in excess of \$25,000.

These limitations have no effect on the coverage we will provide under this Policy.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

MISSOURI CHANGES

This endorsement modifies insurance provided under the following:

COMMERCIAL INLAND MARINE COVERAGE PART

A. Loss Condition B. Appraisal in the Commercial Inland Marine Conditions is replaced by the following:

B. Appraisal

If we and you disagree on the value of the property or the amount of loss, either may make written demand for an appraisal of the loss. In this event, each party will select a competent and impartial appraiser and notify the other of the appraiser selected within 20 days of the written demand for appraisal. The two appraisers will select an umpire. If they cannot agree upon an umpire within 15 days, then, upon your or our request, an 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 will state separately the value of the property and amount of loss. If they fail to agree, they will submit their differences to the umpire. The umpire shall make an award within 30 days after the umpire receives the appraisers' submissions of their differences. A decision agreed to by any two will be binding. Each party will:

1. Pay its chosen appraiser; and
2. Bear the other expenses of the appraisal and umpire equally.

If there is an appraisal, we will still retain our right to deny the claim.

B. Paragraph 1. of Loss Condition E. Loss Payment in the Commercial Inland Marine Conditions is replaced by the following:

1. In the event of loss or damage covered under this Coverage Part, we will give you notice, within 15 working days after we receive a properly executed proof of loss, that we:
 - a. Accept your claim;
 - b. Deny your claim; or
 - c. Need more time to determine whether your claim should be accepted or denied.

If we deny your claim, such notice will be in writing, and will state any policy provision, condition or exclusion used as a basis for the denial.

If we need more time to determine whether your claim should be accepted or denied, the written notice will state the reason(s) why more time is needed.

If we have not completed our investigation, we will notify you again in writing, within 45 days after the date the initial notice is sent as provided in Paragraph c. above, and thereafter every 45 days. The written notice shall state why more time is needed to investigate your claim.

C. General Condition C. Legal Action Against Us in the Commercial Inland Marine Conditions is replaced by the following:

C. Legal Action Against Us

No one may bring a legal action against us under this Coverage Part unless:

1. There has been full compliance with all the terms of this Coverage Part; and
2. The action is brought within 10 years after you first have knowledge of the direct loss or damage.

D. Missouri Property And Casualty Insurance Guaranty Association Coverage Limitations

1. Subject to the provisions of the Missouri Property and Casualty Insurance Guaranty Association Act (to be referred to as the Act), if we are a member of the Missouri Property and Casualty Insurance Guaranty Association (to be referred to as the Association), the Association will pay claims covered under the Act if we become insolvent.

2. The Act contains various exclusions, conditions and limitations that govern a claimant's eligibility to collect payment from the Association and affect the amount of any payment. The following limitations apply, subject to all other provisions of the Act:

a. Claims covered by the Association do not include a claim by or against an insured of an insolvent insurer, if the insured has a net worth of more than \$25 million on the later of the end of the insured's most recent fiscal year or 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 consolidated basis.

b. Payments made by the Association for covered claims will include only that amount of each claim which is less than \$300,000.

However, the Association will not:

(1) Pay an amount in excess of the applicable Limit of Insurance of the policy from which a claim arises; or

(2) Return to an insured any unearned premium in excess of \$25,000.

These limitations have no effect on the coverage we will provide under this policy.

E. The following exclusion is added:

1. We will not pay for loss or damage arising out of any act committed:

a. By or at the direction of any insured; and

b. With the intent to cause a loss.

2. However, this exclusion will not apply to deny coverage to an innocent co-insured who did not cooperate in or contribute to the creation of the loss, provided the loss is otherwise covered under this policy and the loss arose out of domestic violence. Such coverage will be provided only if the innocent co-insured files a police report and completes a sworn affidavit indicating 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.

3. If we pay a claim pursuant to Paragraph E.2., our payment to the innocent co-insured will be limited to that insured's ownership interest in the property as reduced by any payment to a mortgagee or other secured interest; however, we shall not be required to make any subsequent payment for any loss for which the innocent co-insured has received payment. In no event will we pay more than the Limit of Insurance.

F. The following is added to Loss Condition J. **Transfer Of Rights Of Recovery Against Others To Us** in the Commercial Inland Marine Conditions:

If we pay an innocent co-insured for loss arising out of an act of domestic violence by another insured, the rights of the innocent co-insured to recover damages from the abuser 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 abuser.

G. When Equipment Dealers Coverage Form **CM 00 22** is attached to this policy, the following is added with respect to the Additional Coverages of Debris Removal and Pollutant Cleanup And Removal and relates only to the requirement to report expenses to us within 180 days of the specified occurrence:

If you fail to report the expenses to us within the 180-day timeframe, such failure will not invalidate a claim under Debris Removal or Pollutant Cleanup And Removal unless such failure operates to prejudice our rights.

H. When Accounts Receivable Coverage Form **CM 00 66** or Valuable Papers And Records Coverage Form **CM 00 67** is attached to this policy, the following is added with respect to the Coverage Extension of Removal and relates only to the requirement to provide written notice within 10 days of the removal of property covered under those Coverage Forms:

If you fail to provide written notice to us within the 10-day timeframe, such failure will not invalidate a claim under Removal unless such failure operates to prejudice our rights.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

MISSOURI – HOME HEALTHCARE EQUIPMENT COVERAGE

This endorsement modifies insurance provided under the following:

HOME HEALTHCARE COVERAGE PART

SCHEDULE

Limits Of Insurance		
A. Your Home Healthcare Equipment Coverage Limits		
1. Blanket: (These limits do not apply with respect to Scheduled Home Healthcare Equipment shown in E. below.)		
a. Maximum For Any One Piece Of Equipment	\$	
b. Maximum In Any One Occurrence (for all Home Healthcare Equipment)	\$	
2. Scheduled: Maximum In Any One Occurrence (Combined Value of Scheduled Home Healthcare Equipment shown in E.1. and E.2. below. This limit applies only with respect to Scheduled Home Healthcare Equipment shown in E.1. and E.2. below.)	\$	
B. Home Healthcare Equipment Of Others Coverage (except your employees' and volunteer workers' owned home healthcare equipment) Limit (\$5,000 in any one occurrence unless otherwise stated)		
	\$	
C. Employees' Or Volunteer Workers' Owned Home Healthcare Equipment Coverage Limit (\$2,500 in any one occurrence unless otherwise stated)		
	\$	
D. Rental Reimbursement Coverage Limit		
	\$	
E. Scheduled Home Healthcare Equipment		
Description Of Home Healthcare Equipment	Limit Of Insurance	Agreed Value
	\$	\$
	\$	\$
	\$	\$
1. Total Value Of Home Healthcare Equipment (subject to Coinsurance)	\$	N/A
2. Total Agreed Value Of Home Healthcare Equipment	N/A	\$
F. Coinsurance (applicable to Scheduled Home Healthcare Equipment to which Agreed Value does not apply) The coinsurance percentage is 80% unless otherwise stated: %		
G. All Covered Property In Any One Occurrence		
	\$	
H. Deductible		
	\$	
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.		

A. The following is added to Section I – Coverages:

Coverage – Home Healthcare Equipment

1. Covered Property

We will pay for direct physical loss of or damage to Covered Property from any of the Covered Causes of Loss.

a. Covered Property, as used in this endorsement, means:

- (1) Your "home healthcare equipment".
- (2) "Home healthcare equipment" of others, in the care, custody or control of you, your "employees" or "volunteer workers", used in providing "professional services" to your patients or clients, but this Paragraph a.(2) does not apply to equipment owned by your "employees" or "volunteer workers".
- (3) "Home healthcare equipment" owned by any of your "employees" or "volunteer workers", but this Paragraph a.(3) only applies while such equipment is being used:
 - (a) By the "employee" or "volunteer worker" who owns such equipment; and
 - (b) To provide "professional services" to your patients or clients;
or while such equipment is in transit between visits to your patients or clients for purposes of providing such "professional services".

However, we will not pay for loss of or damage to any "home healthcare equipment" caused by or resulting from theft of such equipment from any unattended vehicle unless, at the time of the theft, the vehicle's windows, doors and compartments were closed and locked, and there are visible signs that the theft was a result of forced entry.

2. Rental Reimbursement Coverage

If a Rental Reimbursement Coverage Limit is shown in the Schedule, we will reimburse you, your "employee" or your "volunteer worker", without application of a deductible, for reasonable expenses incurred in the temporary rental of equipment, if the temporary rental of the equipment is due to the following:

- a. There is direct physical loss of or damage to Covered Property from a Covered Cause of Loss which makes the property unfit for its intended use;

- b. The Covered Property is necessary to continue the providing of "professional services" to your patients or clients; and
- c. You, your "employees" or "volunteer workers" do not have the equivalent "home healthcare equipment" reasonably available for use.

Our payment will be limited to that period of time reasonably required to repair or replace the Covered Property or when such property is no longer necessary to continue the providing of "professional services" to your patients or clients, whichever comes first. However, the most we will pay for all rental reimbursement under this Paragraph 2. as a result of any one occurrence is the Rental Reimbursement Coverage Limit shown in the Schedule of this endorsement. Our payment will not be limited by the expiration date of this Policy, provided that the Covered Cause of Loss to Covered Property occurred during the policy period.

3. Property Not Covered

Covered Property does not include:

- a. Radium;
- b. Contraband or property in the course of illegal transportation or trade;
- c. Electronic data;
- d. "Home healthcare equipment" owned by you, your "employees" or "volunteer workers" that is loaned, rented or leased to anyone for any purpose other than the providing of "professional services" to your patients or clients; or
- e. Equipment temporarily rented to you, your "employee" or your "volunteer worker" and for which Rental Reimbursement Coverage is provided.

As used in this Paragraph A.3., electronic data means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

4. Covered Causes Of Loss

Covered Causes of Loss means direct physical loss of or damage to Covered Property except those causes of loss listed in the Exclusions.

B. Exclusions

With respect to the coverage provided by this endorsement, **Section II – Exclusions** is replaced by the following:

1. We will not pay for loss or damage caused directly or indirectly by any of the following. Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss.

a. Governmental Action

Seizure or destruction of property by order of governmental authority.

But we will pay for loss or damage caused by or resulting from acts of destruction ordered by governmental authority and taken at the time of a fire to prevent its spread if the fire would be covered under this endorsement.

b. Nuclear Hazard

Nuclear reaction or radiation, or radioactive contamination, however caused.

But if nuclear reaction or radiation, or radioactive contamination results in fire, we will pay for the direct loss or damage caused by that fire if the fire would be covered under this endorsement.

c. War And Military Action

- (1) War, including undeclared or civil war;
- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- (3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

Exclusions **B.1.a.** through **B.1.c.** apply whether or not the loss event results in widespread damage or affects a substantial area.

2. We will not pay for loss or damage caused by or resulting from any of the following:

a. Marring, scratching; exposure to light; breakage of tubes, bulbs, lamps or articles made largely of glass (except lenses).

But we will pay for such loss or damage caused directly by fire, lightning, explosion, windstorm, earthquake, flood, vandalism, aircraft, rioters, strikers, theft or attempted theft, or by accident to the vehicle carrying the property if these causes of loss would be covered under this endorsement.

- b. Delay, loss of use, loss of market or any other consequential loss.

- c. Dishonest or criminal act committed by:

(1) Any insured; or

(2) Anyone else with an interest in the property, or their "employees", "volunteer workers", "temporary workers", officers, directors, trustees, or authorized representatives;

whether acting alone or in collusion with each other or with any other party.

This exclusion applies whether or not an act occurs during your normal hours of operation.

- d. Processing or work upon the property.

But if processing or work upon the property results in fire or explosion, we will pay for the direct loss or damage caused by that fire or explosion if the fire or explosion would be covered under this endorsement.

This exclusion does not apply if the processing or work upon the property was performed as a reasonable means to save and preserve property from further damage at and after the time of loss.

- e. Artificially generated electrical, magnetic or electromagnetic energy that damages, disturbs, disrupts or otherwise interferes with any:

(1) Electrical or electronic wire, device, appliance, system or network; or

(2) Device, appliance, system or network utilizing cellular or satellite technology;

creating a short circuit or other electric disturbance within an article covered under this endorsement.

For the purpose of this exclusion, electrical, magnetic or electromagnetic energy includes, but is not limited to, electrical current, including arcing; electrical charge produced or conducted by a magnetic or electromagnetic field; pulse of electromagnetic energy; electromagnetic waves or microwaves.

But if artificially generated electrical, magnetic or electromagnetic energy, as described above, results in fire or explosion, we will pay for the direct loss or damage caused by that fire or explosion if the fire or explosion would be covered under this endorsement.

This exclusion only applies to loss or damage to that article in which the disturbance occurs.

- f. Voluntary parting with any property by you or anyone entrusted with the property if induced to do so by any fraudulent scheme, trick, device or false pretense.
- g. Unauthorized instructions to transfer property to any person or to any place.
- h. Neglect of you, your "employees" or "volunteer workers" to use all reasonable means to save and preserve property from further damage at and after the time of loss.
- i. Theft by any person (except carriers for hire) to whom you entrust the property for any purpose, whether acting alone or in collusion with any other party.

This exclusion applies whether or not an act occurs during your normal hours of operation.

- 3. We will not pay for loss or damage caused by or resulting from any of the following. But if loss or damage by a Covered Cause of Loss results, we will pay for the loss or damage caused by that Covered Cause of Loss.
 - a. Weather conditions. But this exclusion only applies if weather conditions contribute in any way with a cause or event excluded in Paragraph B.1. above to produce the loss or damage.
 - b. Acts or decisions, including the failure to act or decide, of any person, group, organization or governmental body.
 - c. Faulty, inadequate or defective:
 - (1) Design, specifications, workmanship or repair;
 - (2) Materials used in repair or renovation; or
 - (3) Maintenance;of part or all of any property.
 - d. Wear and tear, any quality in the property that causes it to damage or destroy itself, hidden or latent defect, gradual deterioration; mechanical breakdown; insects, vermin, rodents; corrosion, rust, dampness, cold or heat.

- 4. We will not pay for loss or damage arising out of any act committed:

- a. By or at the direction of any insured; and
- b. With the intent to cause a loss.

- 5. However, the exclusion in Paragraph B.4. will not apply to deny coverage to an innocent co-insured who did not cooperate in or contribute to the creation of the loss, provided the loss is otherwise covered under this endorsement and the loss arose out of domestic violence. Such coverage will be provided only if the innocent co-insured files a police report and completes a sworn affidavit indicating 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.

- 6. If we pay a claim pursuant to Paragraph B.5., our payment to the innocent co-insured will be limited to that insured's ownership interest in the property as reduced by any payment to a mortgagee or other secured interest; however, we shall not be required to make any subsequent payment for any loss for which the innocent co-insured has received payment. In no event will we pay more than the Limit of Insurance.

- C. With respect to the coverage provided by this endorsement, **Section IV – Limits Of Insurance** is replaced by the following:

The most we will pay for loss or damage in any one occurrence is the applicable Limit Of Insurance shown in the Schedule of this endorsement; however:

- 1. The most we will pay for loss of or damage to "home healthcare equipment" of others, except equipment owned by your "employees" or "volunteer workers", in any one occurrence is \$5,000 unless a different limit for Home Healthcare Equipment Of Others Coverage is shown in the Schedule of this endorsement. Our payment for such loss or damage to "home healthcare equipment" of others will only be for the account of the owner of the "home healthcare equipment"; and

2. The most we will pay for loss of or damage to "home healthcare equipment" owned by any of your "employees" or "volunteer workers" in any one occurrence is \$2,500 unless a different limit for Employees' Or Volunteer Workers' Owned Home Healthcare Equipment Coverage is shown in the Schedule of this endorsement. However, in no event will we pay more than \$500 for any one piece of equipment or more than \$1,000 for all "home healthcare equipment" owned by any one "employee" or "volunteer worker". Our payment for such loss or damage to "home healthcare equipment" owned by your "employees" or "volunteer workers" will only be for the account of the owner of the "home healthcare equipment".

D. With respect to the coverage provided by this endorsement, Conditions B., C. and H. of Section V – Conditions are replaced by the following:

B. Legal Action Against Us

No one may bring a legal action against us under this insurance unless:

1. There has been full compliance with all the terms of coverage provided by this insurance; and
2. The action is brought within 10 years after the date on which the direct physical loss or damage occurred.

C. Other Insurance

1. You may have other insurance subject to the same plan, terms, conditions and provisions as the insurance under this endorsement. If you do, we will pay our share of the covered loss or damage. Our share is the proportion that the applicable limit of insurance under this endorsement bears to the limits of insurance of all insurance covering on the same basis.
2. If there is other insurance covering the same loss or damage, other than that described in Paragraph C.1. above, we will pay only for the amount of covered loss or damage in excess of the amount due from that other insurance, whether you can collect on it or not. But we will not pay more than the applicable limit of insurance.

H. Duties In The Event Of Loss

You must see that the following are done in the event of loss or damage to Covered Property:

1. Notify the police if a law may have been broken.
2. Give us prompt notice of the loss or damage. Include a description of the property involved.

3. As soon as possible, give us a description of how, when and where the loss or damage occurred.

4. Take all reasonable steps to protect the Covered Property from further damage. However, we will not pay for any subsequent loss or damage resulting from a cause of loss that is not a Covered Cause of Loss. Also, if feasible, set the damaged property aside and in the best possible order for examination.

5. You will not, except at your own cost, voluntarily make a payment, assume any obligation, or incur any expense without our consent.

6. As often as may be reasonably required, permit us to inspect the property proving the loss or damage and examine your books and records.

Also permit us to take samples of damaged and undamaged property for inspection, testing and analysis, and permit us to make copies from your books and records.

7. We may examine any insured under oath, while not in the presence of any other insured and at such times as may be reasonably required, about any matter relating to this insurance or the claim, including an insured's books and records. In the event of an examination, an insured's answers must be signed.

8. Send us a signed, sworn proof of loss containing the information we request to settle the claim. You must do this within 60 days after our request. We will supply you with the necessary forms.

9. Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or suit.

10. Cooperate with us in the investigation or settlement of the claim.

E. With respect to the coverage provided by this endorsement, the following is added to Condition

F. Transfer Of Rights Of Recovery Against Others To Us of Section V – Conditions:

If we pay an innocent co-insured for loss arising out of an act of domestic violence by another insured, the rights of the innocent co-insured to recover damages from the abuser 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 abuser.

F. With respect to the coverage provided by this endorsement, the following conditions are added to **Section V – Conditions**:

1. Abandonment

There can be no abandonment of property to us.

2. Appraisal

If we and you disagree on the value of the property or the amount of loss, either may make written demand for an appraisal of the loss. In this event, each party will select a competent and impartial appraiser and notify the other of the appraiser selected within 20 days of the written demand for appraisal. The two appraisers will select an umpire. If they cannot agree upon an umpire within 15 days, then, upon your or our request, an 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 will state separately the value of the property and amount of loss. If they fail to agree, they will submit their differences to the umpire. The umpire shall make an award within 30 days after the umpire receives the appraisers' submissions of their differences. A decision agreed to by any two will be binding. Each party will:

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

If there is an appraisal, we will still retain our right to deny the claim.

3. Control Of Property

Any act or neglect of any person other than you beyond your direction or control will not affect this insurance.

The breach of any condition of the coverage provided by this endorsement at any one or more locations will not affect coverage at any location where, at the time of loss or damage, the breach of condition does not exist.

4. Loss Payment

In the event of loss or damage covered by this insurance:

- a. At our option, we will either:
 - (1) Pay the value of lost or damaged property;
 - (2) Pay the cost of repairing or replacing the lost or damaged property;
 - (3) Take all or any part of the property at an agreed or appraised value; or

- (4) Repair, rebuild or replace the property with other property of like kind and quality.

We will determine the value of the lost or damaged property, or the cost of its repair or replacement, in accordance with the applicable terms of the Valuation Condition in this endorsement.

- b. In the event of loss or damage covered under this insurance, we will give you notice, within 15 working days after we receive a properly executed proof of loss, that we:

- (1) Accept your claim;
- (2) Deny your claim; or
- (3) Need more time to determine whether your claim should be accepted or denied.

If we deny your claim, such notice will be in writing, and will state any policy provision, condition or exclusion used as a basis for the denial.

If we need more time to determine whether your claim should be accepted or denied, the written notice will state the reason(s) why more time is needed.

If we have not completed our investigation, we will notify you again in writing, within 45 days after the date the initial notice is sent as provided in Paragraph **F.4.b.(3)** above, and thereafter every 45 days. The written notice shall state why more time is needed to investigate your claim.

- c. We will not pay you more than your financial interest in the Covered Property.
- d. We may adjust losses with the owners of lost or damaged property if other than you. If we pay the owners, such payments will satisfy your claim against us for the owners' property. We will not pay the owners more than their financial interest in the Covered Property.
- e. We will pay for covered loss or damage within 30 days after we receive the sworn proof of loss if you have complied with all the terms of coverage provided by this endorsement and:
 - (1) We have reached agreement with you on the amount of the loss; or
 - (2) An appraisal award has been made.
- f. We will not be liable for any part of a loss that has been paid or made good by others.

5. No Benefit To Bailee

No person or organization, other than you, your "employees" or your "volunteer workers" having custody of Covered Property will benefit from this insurance.

6. Pair, Sets Or Parts

a. Pair Or Set

In case of loss or damage to any part of a pair or set we may:

- (1) Repair or replace any part to restore the pair or set to its value before the loss or damage; or
- (2) Pay the difference between the value of the pair or set before and after the loss or damage.

b. Parts

In case of loss or damage to any part of Covered Property consisting of several parts when complete, we will only pay for the value of the lost or damaged part.

7. Policy Period, Coverage Territory

We cover loss or damage commencing:

- a. During the policy period shown in the Declarations; and
- b. Within the "coverage territory".

8. Recovered Property

If either you or we recover any property after loss settlement, that party must give the other prompt notice. At your option, the property will be returned to you. You must then return to us the amount we paid to you for the property. We will pay recovery expenses and the expenses to repair the recovered property, subject to the applicable limit of insurance.

9. Valuation

- a. The value of lost or damaged property will be the least of the following amounts:

- (1) The actual cash value of that property;
- (2) The cost of reasonably restoring that property to its condition immediately before loss or damage; or
- (3) The cost of replacing that property with substantially identical property.

In the event of loss or damage, the value of property will be determined as of the time of loss or damage. However, this Paragraph

a. does not apply with respect to:

Covered Property for which an Agreed Value is shown in the Schedule of this endorsement.

- b. With respect to Covered Property for which an Agreed Value is shown in the Schedule of this endorsement:

- (1) We will pay no more for loss of or damage to that property than the proportion that the limit of insurance under this Policy for the property bears to the Agreed Value shown for it in the Schedule of this endorsement.

- (2) The terms of this Agreed Value coverage option apply only to loss or damage that occurs:

- (a) On or after the effective date of this Agreed Value coverage option; and

- (b) Before the policy expiration date.

10. Coinsurance

If a Coinsurance percentage is shown in the Schedule of this endorsement or Declarations, the following condition applies, but only with respect to Scheduled Home Healthcare Equipment, as described in the Schedule of this endorsement.

We will not pay the full amount of any loss if the value of Covered Property at the time of loss times the Coinsurance percentage shown for it in the Declarations is greater than the limit of insurance for the property.

Instead, we will determine the most we will pay using the following steps:

- a. Multiply the value of Covered Property, at the time of loss, by the Coinsurance percentage;
- b. Divide the limit of insurance of the property by the figure determined in Step a.;

- c. Multiply the total amount of loss, before the application of any deductible, by the figure determined in Step **b.**; and
- d. Subtract the deductible from the figure determined in Step **c.**

We will pay the amount determined in Step **d.** or the applicable limit of insurance, whichever is less. For the remainder, you will either have to rely on other insurance or absorb the loss yourself.

However, this Paragraph **10.** does not apply with respect to Covered Property for which an Agreed Value is shown in the Schedule of this endorsement.

11. Deductible

We will not pay for loss or damage in any one occurrence until the amount of the adjusted loss or damage before applying the applicable limit of insurance exceeds the Deductible shown in the Schedule of this endorsement. We will then pay the amount of the adjusted loss or damage in excess of the Deductible, up to the applicable limit of insurance. However, if a Rental Reimbursement Coverage Limit is shown in the Schedule of this endorsement, the Deductible does not apply to Rental Reimbursement Coverage.

- G. With respect to the coverage provided by this endorsement, the definition of "coverage territory" under **Section VI – Definitions** is replaced by the following:

"Coverage territory" means the United States of America (including its territories and possessions), Puerto Rico and Canada.

- H. With respect to the coverage provided by this endorsement, the following definition is added to **Section VI – Definitions**:

"Home healthcare equipment" means equipment, materials, supplies and books customary to the providing of "professional services".

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

MISSOURI CHANGES

This endorsement modifies insurance provided under the following:

CAPITAL ASSETS PROGRAM (OUTPUT POLICY) COVERAGE PART
 CAUSES OF LOSS FORM – FARM PROPERTY
 COMMERCIAL PROPERTY COVERAGE PART
 FARM LIABILITY COVERAGE FORM
 FARM PROPERTY – OTHER FARM PROVISIONS FORM – ADDITIONAL COVERAGES, CONDITIONS, DEFINITIONS
 LIVESTOCK COVERAGE FORM
 MOBILE AGRICULTURAL MACHINERY AND EQUIPMENT COVERAGE FORM

A. When this endorsement is attached to the Standard Property Policy **CP 00 99**, the terms Coverage Form and Coverage Part in this endorsement are replaced by the term Policy.:

B. The following provision replaces:

1. Paragraph **c.** of the **Loss Payment** Loss Condition in the Commercial Property Coverage Part;
2. Paragraph **d.** of the **Loss Payment** Loss Condition in the Farm Property – Other Farm Provisions Form – Additional Coverages, Conditions, Definitions and Paragraph **c.** of the **Loss Payment** Loss Condition in the Mobile Agricultural Machinery And Equipment Coverage Form and Livestock Coverage Form; and
3. Paragraph **c.** of the **Loss Payment** Loss Condition in the Capital Assets Program (Output Policy) Coverage Part:

In the event of loss ("loss") or damage covered under this Coverage Part, we will give you notice, within 15 working days after we receive a properly executed proof of loss, that we:

- a. Accept your claim;
- b. Deny your claim; or
- c. Need more time to determine whether your claim should be accepted or denied.

If we deny your claim, such notice will be in writing, and will state any policy provision, condition or exclusion used as a basis for the denial.

If we need more time to determine whether your claim should be accepted or denied, the written notice will state the reason(s) why more time is needed.

If we have not completed our investigation, we will notify you again in writing, within 45 days after the date the initial notice is sent informing you that we need more time to determine whether your claim should be accepted or denied and thereafter every 45 days. The written notice shall state why more time is needed to investigate your claim.

C. Except as provided in **D.** below, the **Appraisal** Loss Condition is replaced by the following:

APPRAISAL

If we and you disagree on the value of the property or the amount of loss ("loss"), either may make written demand for an appraisal of the loss ("loss"). In this event, each party will select a competent and impartial appraiser and notify the other of the appraiser selected within 20 days of the written demand for appraisal. The two appraisers will select an umpire. If they cannot agree upon an umpire within 15 days, then, upon your or our request, an 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 will state separately the value of the property and amount of loss ("loss"). If they fail to agree, they will submit their differences to the umpire. The umpire shall make an award within 30 days after the umpire receives the appraisers' submissions of their differences. A decision agreed to by any two will be binding.

Each party will:

1. Pay its chosen appraiser; and
2. Bear the other expenses of the appraisal and umpire equally.

If there is an appraisal, we will still retain our right to deny the claim.

D. The Appraisal Condition in:

1. Business Income (And Extra Expense) Coverage Form **CP 00 30**;
2. Business Income (Without Extra Expense) Coverage Form **CP 00 32**; and
3. Capital Assets Program Coverage Form (Output Policy), **OP 00 01**, Paragraph **A.7. Business Income And Extra Expense**;

is replaced by the following:

APPRAISAL

If we and you disagree on the amount of Net Income and operating expense or the amount of loss, either may make written demand for an appraisal of the loss. In this event, each party will select a competent and impartial appraiser and notify the other of the appraiser selected within 20 days of the written demand for appraisal. The two appraisers will select an umpire. If they cannot agree upon an umpire within 15 days, then, upon your or our request, an 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 will state separately the amount of Net Income and operating expense or the amount of loss. If they fail to agree, they will submit their differences to the umpire. The umpire shall make an award within 30 days after the umpire receives the appraisers' submissions of their differences. A decision agreed to by any two will be binding. Each party will:

1. Pay its chosen appraiser; and
2. Bear the other expenses of the appraisal and umpire equally.

If there is an appraisal, we will still retain our right to deny the claim.

E. The Legal Action Against Us Condition is replaced by the following:

LEGAL ACTION AGAINST US

No one may bring a legal action against us under this Coverage Part unless:

1. There has been full compliance with all of the terms of this Coverage Part; and
2. The action is brought within 10 years after the date on which the direct physical loss ("loss") or damage occurred.

F. Paragraph E. above does not apply to the:

1. **Legal Action Against Us** Loss Condition in the Legal Liability Coverage Form;

2. Legal Action Against Us Condition applicable to Coverages **C** and **D** in the Mortgageholders Errors And Omission Coverage Form; or

3. Legal Action Against Us Loss Condition in the Farm Liability Coverage Form.

G. Missouri Property And Casualty Insurance Guaranty Association Coverage Limitations

1. Subject to the provisions of the Missouri Property and Casualty Insurance Guaranty Association Act (to be referred to as the Act), if we are a member of the Missouri Property and Casualty Insurance Guaranty Association (to be referred to as the Association), the Association will pay claims covered under the Act if we become insolvent.

2. The Act contains various exclusions, conditions and limitations that govern a claimant's eligibility to collect payment from the Association and affect the amount of any payment. The following limitations apply, subject to all other provisions of the Act:

- a. Claims covered by the Association do not include a claim by or against an insured of an insolvent insurer, if the insured has a net worth of more than \$25 million on the later of the end of the insured's most recent fiscal year or 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 consolidated basis.
- b. Payments made by the Association for covered claims will include only that amount of each claim which is less than \$300,000.

However, the Association will not:

- (1) Pay an amount in excess of the applicable Limit of Insurance of the policy from which a claim arises; or
- (2) Return to an insured any unearned premium in excess of \$25,000.

These limitations have no effect on the coverage we will provide under this policy.

H. For the Commercial Property Coverage Part, the following exclusion and related provisions are added to Paragraph **B.2. Exclusions in the Causes Of Loss Forms and to any Coverage Form or policy to which a Causes Of Loss Form is not attached:**

1. We will not pay for loss or damage 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.

2. However, this exclusion will not apply to deny coverage to an innocent co-insured who did not cooperate in or contribute to the creation of the loss, provided the loss is otherwise covered under this Coverage Part and the loss arose out of domestic violence. Such coverage will be provided only if the innocent co-insured files a police report and completes a sworn affidavit indicating 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.
 3. If we pay a claim pursuant to Paragraph H.2., our payment to the innocent co-insured will be limited to that insured's ownership interest in the property as reduced by any payment to a mortgagee or other secured interest; however, we shall not be required to make any subsequent payment for any loss for which the innocent co-insured has received payment. In no event will we pay more than the Limit of Insurance.
- I. The **Intentional Loss** Exclusion in the Causes Of Loss Form – Farm Property, Mobile Agricultural Machinery And Equipment Coverage Form and Livestock Coverage Form is replaced by the following:
1. We will not pay for loss ("loss") or damage arising out of any act an "insured" commits or conspires to commit with the intent to cause a loss ("loss").

In the event of such loss ("loss"), no "insured" is entitled to coverage, even "insureds" who did not commit or conspire to commit the act causing the loss ("loss").
 2. However, this exclusion will not apply to deny coverage to an innocent co-"insured" who did not cooperate in or contribute to the creation of the loss ("loss"), provided the loss ("loss") is otherwise covered under this Coverage Form and the loss ("loss") arose out of domestic violence. Such coverage will be provided only if the innocent co-"insured" files a police report and completes a sworn affidavit indicating both:
 - a. The cause of the loss ("loss"); and
 - b. A pledge to cooperate in any criminal prosecution of the person committing the act causing the loss ("loss").
3. If we pay a claim pursuant to Paragraph I.2., our payment to the innocent co-"insured" will be limited to that insured's ownership interest in the property as reduced by any payment to a mortgagee or other secured interest; however, we shall not be required to make any subsequent payment for any loss ("loss") for which the innocent co-"insured" has received payment. In no event will we pay more than the Limit of Insurance.
- J. The following is added to the **Transfer Of Rights Of Recovery Against Others To Us** Loss Condition:
- If we pay an innocent co-"insured" for loss ("loss") arising out of an act of domestic violence by another "insured", the rights of the innocent co-"insured" to recover damages from the abuser are transferred to us to the extent of our payment. Following the loss ("loss"), the innocent co-"insured" may not waive such rights to recover against the abuser.
- K. Paragraph J. above does not apply to the **Transfer Of Rights Of Recovery Against Others To Us** Loss Condition in the Farm Liability Coverage Form.
- L. The following is added with respect to the Additional Coverages of Debris Removal and Pollutant Clean Up And Removal, and relates only to the requirement to report expenses to us within 180 days of the specified occurrence:
- If you fail to report the expenses to us within the 180-day time frame, such failure will not invalidate a claim under Debris Removal or Pollutant Clean Up And Removal unless such failure operates to prejudice our rights.
- M. When the:
1. Replacement Cost Optional Coverage in the Commercial Property Coverage Part;
 2. **Valuation** Loss Condition in the Capital Assets Program (Output Policy);
 3. Coverage **A Valuation** Loss Condition in the Farm Property – Farm Dwellings, Appurtenant Structures And Household Personal Property Coverage Form; or
 4. **Valuation – Property Other Than Improvements And Betterments** Loss Condition in the Farm Property – Barns, Outbuildings And Other Farm Structures Coverage Form;

applies, the following is added with respect to these provisions and relates only to the requirement to notify us of your intent to submit an additional claim (for the difference between the actual cash value and replacement cost) within 180 days after the loss or damage occurs:

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.

N. For the Capital Assets Program (Output Policy) Coverage Part, the following exclusion and related provisions are added to Paragraph C.2. Exclusions:

- 1.** We will not pay for loss or damage 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.

- 2.** However, this exclusion will not apply to deny coverage to an innocent co-insured who did not cooperate in or contribute to the creation of the loss, provided the loss is otherwise covered under this Coverage Part and the loss arose out of domestic violence. Such coverage will be provided only if the innocent co-insured files a police report and completes a sworn affidavit indicating 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.

- 3.** If we pay a claim pursuant to Paragraph N.2., our payment to the innocent co-insured will be limited to that insured's ownership interest in the property as reduced by any payment to a mortgagee or other secured interest; however, we shall not be required to make any subsequent payment for any loss for which the innocent co-insured has received payment. In no event will we pay more than the Limit of Insurance.

O. The Transfer Of Your Rights And Duties Under This Policy Common Policy Condition is replaced by the following:

1. Transfer By Beneficiary Deed

If you convey real property insured under this policy to a person (known as a grantee beneficiary) designated under a beneficiary deed, which has been properly recorded prior to your death, that person will have your rights and duties with respect to the insured real property, but only for the period from the date of your death until the first of the following occurs:

- a.** A period of 30 days from the date of your death;
- b.** The date that alternative coverage is obtained on your property; or
- c.** The end of the policy period as shown in the Declarations.

2. Transfer By Other Means Following Death

If you die, your rights and duties will be transferred to your legal representative but only while acting within the scope of duties as your legal representative. Until your legal representative is appointed, anyone having proper temporary custody of your property will have your rights and duties, but only with respect to that property. Your rights and duties under this policy may not be transferred without our written consent except in the case of death of an individual Named Insured.