



OREGON MUTUAL INSURANCE COMPANY  
BUSINESSOWNERS  
LIABILITY FOR PROPERTY OF GUESTS OR RESIDENTS

M2410B (1-06)

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

This endorsement modifies insurance provided under the following:

**BUSINESSOWNERS COVERAGE FORM**

This endorsement modifies insurance provided under **Section I - Property**.

The following terms and conditions are added to **Section I - Property** with respect to your liability for property of guests or residents.

- A. **COVERAGE** - We will pay those sums that you become legally obligated to pay as damages because of loss or destruction of, or damage to Covered Property. We have the right and duty to defend any "suit" brought against you seeking damages that are payable under this insurance.
1. **Covered Property:** Any property, other than that specified as Property Not Covered, belonging to your guests or residents while the property is in the "premises" or your possession.
  2. **Property Not Covered**
    - a. **Samples, Articles for Sale:**  
Samples or articles carried or held for sale or for delivery after sale.
    - b. **Vehicles:**  
Any vehicle including:
      - (1) Its equipment and accessories; and
      - (2) Any property contained in or on a vehicle.
  3. **Supplementary Payments:** In addition to the LIMIT OF INSURANCE, if we defend any "suit", we will pay with respect to:
    - a. **Expenses:**
      - (1) Reasonable expenses you incur at our request;
      - (2) Expenses we incur; and
      - (3) Costs charged against you.
    - b. **Interest:**
      - (1) Interest on the full amount of any judgment that accrues:
        - (a) After entry of the judgment; and
        - (b) Before we pay, offer to pay or deposit in court that part of the judgment for which we are liable under this insurance.
      - (2) Prejudgment interest awarded against you on that part of the judgment we pay. If we make an offer to pay the LIMIT OF INSURANCE, we will not pay any prejudgment interest based on that period of time after the offer.
- c. **Loss of Wages or Salary:**  
Actual loss of wages or salary (but not other income) because of required attendance at hearings or trials connected with the "suit". But, we will not pay more than \$250 per day under this part of the Supplementary Payments.
- d. **Premiums for Bonds:**  
Premiums for the following types of bonds having penalties totaling not more than the LIMIT OF INSURANCE shown in the Declarations;
  - (1) Appeal bonds required in the "suit"; and
  - (2) Bonds to release attachments.But, we do not have to apply for or furnish those bonds.
- B. **LIMIT OF INSURANCE**
1. The most we will pay in the aggregate for all damages because of loss or destruction of or damage to Covered Property in any one "occurrence" is \$5,000. All loss, destruction or damage involving a single act or series of related acts whether caused by one or more persons is considered one "occurrence".
  2. Subject to the applicable limit stated in 1. above, the most we will pay for all damages because of loss or destruction of or damage to property of any one guest or resident is \$1,000.
- C. **DEDUCTIBLE**  
We will deduct \$50 from the amount we will pay for loss or destruction of or damage to property of each guest or resident.
- D. **EXCLUSIONS, CONDITIONS, DEFINITIONS:**  
This insurance is subject to the following:
  1. **Exclusions:** We will not pay for damages arising out of, or the defense of any "suit" connected with, any of the following:
    - a. **Acts Committed By You Or Your Partners:**

Loss or destruction of, or damage to property resulting from any dishonest or criminal act committed by you or any of your partners whether acting alone or in collusion with other persons.

b. **Assumed Liability:**

Liability you assume under any written agreement. But this exclusion does not apply to any written agreement entered into with a guest or resident before the "occurrence" of any loss, destruction or damage that increases to an amount not exceeding \$1,000 any lesser amount for which you may otherwise be liable under any statute.

c. **Fire:**

Destruction of, or damage to property resulting from fire.

d. **Food Or Liquid:**

Destruction of, or damage to property resulting from the spilling, upsetting or leaking of any food or liquid.

e. **Governmental Action:**

Loss or destruction of, or damage to property resulting from seizure or destruction of the property by order of governmental authority.

f. **Inherent Vice:**

Destruction of or damage to property resulting from insects, animals, wear and tear, gradual deterioration or inherent vice.

g. **Laundering Or Cleaning:**

Destruction of, or damage to property while in your care and custody for laundering or cleaning.

h. **Nuclear:**

Loss or destruction of, or damage to property resulting from nuclear reaction, nuclear radiation or radioactive contamination, or any related act or incident.

i. **Release Of Others From Liability:**

Your release of any other person or organization from legal liability.

j. **War and Similar Actions:**

Loss or destruction of, or damage to property resulting from war, whether or not declared, warlike action, insurrection, rebellion or revolution, or any related act or incident.

2. **Conditions:**

a. **Bankruptcy:**

Your or your estate's bankruptcy or insolvency will not relieve us of our obligations under this insurance.

b. **Defense, Investigation and Settlement:**

- (1) We may investigate and settle any claim or "suit" as we deem expedient.
- (2) We will not defend any "suit" after having paid judgments or settlements equal to the applicable LIMIT OF INSURANCE shown in the Declarations.

c. **Duties in the Event of Loss, Claim, or Suit:**

In the event of loss, claim or "suit" you must:

- (1) Notify us promptly of any loss, destruction or damage that may result in a claim;
- (2) Give us prompt, written notice of any claim made or "suit" brought against you and:
  - (a) Send us immediately, copies of any demands, notices, summonses or legal papers received in connection with the claim or "suit";
  - (b) Authorize us to obtain records and other information; and
  - (c) Cooperate with us in the defense, investigation or settlement of the claim or "suit".

You may not voluntarily make a payment, assume any obligation or incur any expense without our consent.

If you have reason to believe that any loss or destruction of, or damage to Covered Property involves a violation of law, you must notify the police.

d. **Joint Insured:**

- (1) If more than one Insured is named in the policy Declarations, the first Named Insured will act for itself and for every other Insured for all purposes of this insurance. If the first Named Insured ceases to be covered, then the next Named Insured will become the first Named Insured.
- (2) If any Insured or partner or officer of that Insured has knowledge of any information relevant to this insurance, that knowledge is considered knowledge of every Insured.

- (3) We will not pay more for damages for which more than one Insured is liable than the amount we would pay if one Insured were liable for the damages.

e. **Legal Action Against Us:**

No person or organization has a right under this insurance:

- (1) To name us as a co-defendant in a "suit" asking for damages from you; or
- (2) To sue us on this insurance unless all of its terms have been fully complied with.

A person or organization may sue us to recover on an agreed settlement or on a final judgment against you obtained after an actual trial. But, we will not be liable for damages that are not payable under the terms of this insurance or that are in excess of the LIMIT OF INSURANCE. An agreed settlement means a settlement and release of liability signed by us, you and the claimant or the claimant's legal representative.

f. **Other Insurance:**

This insurance does not apply to damages recoverable or recovered under other insurance or indemnity. However, if the limit of the other insurance or indemnity is insufficient to cover the entire amount of the damages, this insurance will apply to that part of the damages not recoverable or recovered under the other insurance.

g. **Policy Period:**

- (1) The Policy Period is the period shown in the policy Declarations.

- (2) We will pay only for damages because of loss or destruction of, or damage to Covered Property occurring during the Policy Period.

h. **Territory:**

We will pay only for damages because of your legal liability for loss or destruction of, or damage to Covered Property occurring within the United States of America, U.S. Virgin Islands, Puerto Rico, Canal Zone or Canada.

i. **Transfer of Your Rights of Recovery Against Others to Us:**

You must transfer to us all your rights of recovery against any person or organization pertaining to the loss or which you were liable and for which we have paid damages or made a settlement. You must do everything necessary to secure these rights and do nothing to impair them.

3. **Definitions:**

With respect to this liability for property of guests or residents:

a. "Occurrence" means an:

- (1) Act or series of related acts involving one or more persons; or
- (2) Act or event, or a series of related acts or events not involving any person.

b. "Premises" means the interior of that portion of any building at a location shown in the policy Declarations that you occupy in conducting your business.