

THIS ENDORSEMENT CHANGES YOUR POLICY. PLEASE READ IT CAREFULLY.

LIABILITY COVERAGE ENDORSEMENT

For an additional premium, we agree to provide the following Liability Coverages for the **described location**. This endorsement applies to the **described location** for which a corresponding premium is shown on the Declarations.

DEFINITIONS

In this policy, **you** and **your** refer to the Named Insured shown in the Declarations; and

1. The spouse; or
2. A party who, with the **insured**, has entered into a domestic partnership, recognized under Oregon law;

If a resident of the same household.

We, us and **our** refer to the Company providing this insurance.

1. **Bodily injury** means bodily harm, sickness or disease, except a disease which is transmitted by an **insured** through sexual contact. **Bodily injury** includes required care, loss of services, and death resulting from care, loss of services, and death resulting from covered bodily harm, sickness or disease.
2. **Business** includes trade, profession or occupation.
3. **Fungus** means any type or form of **fungi** including but not limited to mold or mildew, mycotoxins, spores, scents or byproducts produced or released by **fungus**.
4. **Described location** means the dwelling, other structures and grounds used as a private residence and which is shown on the Declarations.
5. **Insured** means you and residents of your household who are:
 - a. related to you by blood, marriage or adoption;
 - b. other persons under the age of 21 and in the care of any person named above;
 - c. any person or organization named as an additional insured by endorsement to this policy;
 - d. a registered domestic partner.

Insured also means any person or organization while acting as your real estate manager for the **described location**.

6. **Occurrence** means an accident, including exposure to conditions, which results, during the policy period, in:
- a. **bodily injury**; or
 - b. **property damage**.
7. **Property damage** means physical injury to, destruction of, or loss of use of tangible property.

LIABILITY COVERAGES

Coverage L – Personal Liability

If a claim is made or a suit is brought against an **insured** for damages because of **bodily injury** or **property damage** caused by an **occurrence** to which this coverage applies and which arises out of the ownership, maintenance or use of the **described location**, we will:

- 1. pay up to our limit of liability for the damages for which the **insured** is legally liable.
- 2. provide a defense at our expense by counsel of our choice, even if the suit is groundless, false or fraudulent.

We may investigate and settle any claim or suit that we decide is appropriate. Our duty to settle or defend ends when the amount we pay for damages resulting from the **occurrence** equals our limit of liability.

Coverage M – Medical Payments to Others

We will pay the necessary medical expenses that are incurred within three years from the date of an accident causing **bodily injury**. The accident must occur during the policy period.

Medical expenses means reasonable charges for medical, surgical, X-ray, dental, ambulance, hospital, professional nursing, prosthetic devices and funeral services. This coverage does not apply to any **insured**, regular residents of your household, or any resident of the **described location**. As to others, this coverage applies only:

- 1. to a person on the **described location** with the permission of an **insured** or with the permission of a person residing at the **described location**; or
- 2. to a person off the **described location**, if the **bodily injury** arises out of a condition on the **described location** or the ways immediately adjoining.

EXCLUSIONS

1. Coverage **L** – Personal Liability and Coverage **M** – Medical Payments to Others do not apply to **bodily injury** or **property damage**:
 - a. which may reasonably be expected to result from the intentional or criminal acts of an **insured** or which in fact are intended by an **insured**. This exclusion does not apply to liability of an **insured** who did not cause, did not contribute to, and was not aware of the intentional or criminal act before it was committed; or
 - b. arising out of or in connection with a **business** engaged in by an **insured**. This exclusion applies but is not limited to an act or omission, regardless of its nature or circumstance, involving a service or duty rendered, owed, or implied to be provided because of the nature of the **business**.

This exclusion does not apply to the rental or holding for rental of a **described location**;
 - c. arising out of the rendering of or failure to render professional services;
 - d. arising out of:
 - (1) the ownership, maintenance, use, loading or unloading of motor vehicles or all other motorized land conveyances, including trailers, owned or operated by or rented or loaned to an **insured**;
 - (2) the entrustment by an **insured** of a motor vehicle or any other motorized land conveyance to any person; or
 - (3) vicarious liability, whether or not statutorily imposed, for the actions of a child or minor using a conveyance excluded in paragraph **(1)** or **(2)** above.

This exclusion does not apply to a vehicle or conveyance not subject to motor vehicle registration which is:

- (1) used to service the **described location**;
 - (2) designed and used exclusively for assisting the handicapped and has a maximum attainable speed of 10 miles per hour; or
 - (3) in dead storage on a **described location**;
- e. arising out of:

- (1) the ownership, maintenance, use, loading or unloading of any watercraft;
- (2) the entrustment by an **insured** of any watercraft to any person; or
- (3) vicarious liability, whether or not statutorily imposed, for the actions of a child or minor using any watercraft.

This exclusion does not apply while the watercraft is stored on a **described location**;

f. arising out of:

- (1) the ownership, maintenance, use, loading or unloading of an aircraft;
- (2) the entrustment by an **insured** of an aircraft to any person; or
- (3) vicarious liability, whether or not statutorily imposed, for the actions of a child or minor using any aircraft. An aircraft means any contrivance used or designed for flight, except model or hobby aircraft not used or designed to carry people or cargo;

g. caused directly or indirectly by war, including the following and any consequence of any of the following:

- (1) undeclared war, civil war, insurrection, rebellion or revolution;
- (2) warlike act by a military force or military personnel; or
- (3) destruction or seizure or use for a military purpose.

Discharge of a nuclear weapon will be deemed a warlike act even if accidental;

h. arising out of actual or threatened molestation, sexual misconduct or sexual harassment committed by any person, regardless of whether that person is an **insured**;

i. arising out of the use, sale, manufacture, delivery, transfer or possession by an **insured** of a Controlled Substance(s) as defined by the Federal Food and Drug Law at 21 U.S.C.A. Sections 811 and 812. Controlled Substances include but are not limited to cocaine, LSD, marijuana and all narcotic drugs.

However, this exclusion does not apply to the legitimate use of prescription drugs by a person following the order of a licensed physician;

j. arising out of the discharge, dispersal, seepage, migration, release or escape of smoke, vapors, soot, fumes, acids, alkalis, toxic chemicals, liquids or gases, waste materials or other irritants, contaminants or pollutants into or upon the land, the atmosphere or water. This exclusion does not apply to **bodily injury** or **property damage** caused by heat, smoke or fumes which result from an uncontained fire or asphyxiation or poisoning due to the escape of fumes from a flue or furnace as a result of a malfunction of the flue or furnace;

- k.** arising out of lead paint poisoning or exposure;
- l.** arising out of exposure to asbestos or any asbestos-like compound;
- m.** arising out of a condition on real estate you sell, give away or abandon;
- n.** arising out of:
 - (1)** a disease transmitted by an **insured** through sexual contact; or
 - (2)** the transmission by an **insured** of the Human Immunodeficiency Virus (HIV) or the Acquired Immune Deficiency Syndrome (AIDS) virus by any means;
- o.** arising out of the actual, alleged or threatened inhalation of, ingestion of, contact with, exposure to, or presence of any fungus at or from any source or location.

2. Coverage **L** – Personal Liability does not apply to:

- a.** liability:
 - (1)** for any loss assessment charged against you as a member of an association, corporation, or community of property owners;
 - (2)** under any contract or agreement. However, this exclusion does not apply to written contracts:
 - (a)** that directly relate to the ownership, maintenance or use of the **described location**; or
 - (b)** where the liability of others is assumed by the **insured** prior to an **occurrence**; unless excluded in **(1)** above or elsewhere in this policy;
- b.** **property damage** to property owned by an **insured**;
- c.** **property damage** to property rented to, occupied or used by or in the care of an **insured**. This exclusion does not apply to **property damage** caused by fire, smoke or explosion;
- d.** **bodily injury** to any person eligible to receive any benefits:
 - (1)** voluntarily provided; or
 - (2)** required to be provided;

by an **insured** under any:

- (1) workers' compensation law;
- (2) non-occupational disability law; or
- (3) occupational disease law;

e. bodily injury or property damage for which an **insured** under this policy:

- (1) is also an **insured** under a nuclear energy liability policy; or
- (2) would be an **insured** under that policy but for the exhaustion of its limits of liability.

A nuclear energy liability policy is one issued by:

- (1) American Nuclear Insurers;
- (2) Mutual Atomic Energy Liability Underwriters;
- (3) Nuclear Insurance Association of Canada;

or any of their successors;

f. bodily injury to you or an **insured** within the meaning of part **a** or **b** of **insured** as defined;

g. liability for punitive damages.

3. Coverage M – Medical Payments to Others, does not apply to **bodily injury**:

a. to any person eligible to receive benefits:

- (1) voluntarily provided; or
- (2) required to be provided;

under any:

- (1) workers' compensation law;
- (2) non-occupational disability law; or
- (3) occupational disease law;

b. from any:

- (1) nuclear reaction;
- (2) nuclear radiation; or

- (3) radioactive contamination;
- all whether controlled or uncontrolled or however caused; or
- (4) any consequences of any of these.

ADDITIONAL COVERAGES

We cover the following in addition to the limits of liability:

1. **Claims Expenses.** We pay:

- a. expenses we incur and costs taxed against an **insured** in any suit we defend;
- b. premiums on bonds required in a suit we defend, but not for bond amounts more than the limit of liability for Coverage **L**. We need not apply for or furnish any bond;
- c. reasonable expenses incurred by an **insured** at our request, including actual loss of earnings (but not loss of other income) up to \$200 per day, for assisting us in the investigation or defense of a claim or suit;
- d. interest on the entire judgment which accrues after entry of the judgment and before we pay or tender, or deposit in court that part of the judgment which does not exceed the limit of liability that applies;

2. **First Aid Expenses**

We will pay expenses for first aid to others incurred by an **insured** for **bodily injury** covered under this policy. We will not pay for first aid to you or any other **insured**.

CONDITIONS

1. **Limit of Liability.** Our total liability under Coverage **L** for all damages resulting from any one **occurrence** will not be more than the limit of liability for Coverage **L** as shown in the Declarations. This limit is the same regardless of the number of **insureds**, claims made or persons injured. All **bodily injury** or **property damage** resulting from any one accident or from continuous or repeated exposure to substantially the same general harmful conditions shall be considered to be the result of one **occurrence**.

Our total liability under Coverage **M** for all medical expense payable for **bodily injury** to one person as the result of one accident will not be more than the limit of liability for Coverage **M** as shown on the Declarations.

- 2. Severability of Insurance.** This insurance applies separately to each **insured**. This condition will not increase our limit of liability for any one **occurrence**.
- 3. Duties After Loss.** In case of an accident or **occurrence**, the **insured** will perform the following duties that apply. You will help us by seeing that these duties are performed:
- a.** give written notice to us or our agent as soon as is practical, which sets forth:
 - (1)** the identity of the policy and **insured**;
 - (2)** reasonably available information on the time, place and circumstances of the accident or **occurrence**; and
 - (3)** names and addresses of any claimants and witnesses;
 - b.** promptly forward to us every notice, demand, summons or other process relating to the accident or **occurrence**;
 - c.** at our request, help us:
 - (1)** to make settlement;
 - (2)** to enforce any right of contribution or indemnity against any person or organization who may be liable to an **insured**;
 - (3)** with the conduct of suits and attend hearings and trials;
 - (4)** to secure and give evidence and obtain the attendance of witnesses;
 - d.** the **insured** will not, except at the **insured's** own cost, voluntarily make payment, assume obligation or incur expense other than for first aid to others at the time of the **bodily injury**.
- 4. Duties of an Injured Person – Coverage M – Medical Payments to Others.**

The injured person or someone acting for the injured person will:

- a.** give us written proof of claim, under oath if required, as soon as is practical; and
- b.** authorize us to obtain copies of medical reports and records.

The injured person will submit to a physical exam by a doctor of our choice when and as often as we reasonably require.

- 5. Payment of Claims – Coverage M - Medical Payments to Others.** Payment under this coverage is not an admission of liability by an **insured** or us.
- 6. Suit Against Us.** No action can be brought against us unless there has been compliance with the policy provisions.

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No one will have the right to join us as a party to any action against an **insured**. Also, no action with respect to Coverage **L** can be brought against us until the obligation of the **insured** has been determined by final judgment or agreement signed by us.

- 7. Bankruptcy of an Insured.** Bankruptcy or insolvency of an **insured** will not relieve us of our obligations under this policy.
- 8. Other Insurance – Coverage L – Personal Liability.** This insurance is excess over other valid and collectible insurance except insurance written specifically to cover as excess over the limits of liability that apply in this policy.
- 9. Concealment or Fraud.** The entire policy will void if, whether before or after a loss, an **insured** has:
 - a.** intentionally concealed or misrepresented any material fact or circumstance; or
 - b.** engaged in fraudulent conduct;relating to this insurance.

All other terms and conditions of the policy apply.