

Condominium Corporation Package Extension Endorsement

This Endorsement modifies insurance provided under the Commercial Package Property Broad Form wording (11010) to which it is attached.

The following extensions of coverage are hereby added to the Commercial Package Property Broad Form Wording (11010):

19 EXTENSIONS OF COVERAGE

- a Condominium "Unit" Owners' Property:** "Contents" shall include:
- (i) personal property of condominium "unit" owners that is in the care, custody or control of the "Condominium Corporation" and for which the "Condominium Corporation" is legally liable; and
 - (ii) personal property in which all condominium "unit" owners have an undivided interest.
- b Trustees' Fees:** This form is extended to indemnify the "Condominium Corporation" for reasonable and customary fees paid to an insurance trustee for services provided following covered loss or damage. The use of an insurance trustee must be required by the documents or legislation governing the operation of the "Condominium Corporation". The Insurer's liability under this extension shall not exceed \$50,000 for any one occurrence, or any other amount shown on the "Declarations Page" of any loss otherwise insured in this form for Trustees' Fees.
- c Property Managers Claims Expense:** This form is extended to insure any reasonable expense, excluding loss adjustment expenses, payable to the property manager for assisting in the settlement of claims greater than \$10,000 (ten thousand dollars) not including adjustment expenses arising out of loss or damage insured by this form. Expenses are only payable for the period of time required, with the exercise of due diligence and dispatch, to restore normal services and operations to the location where the loss occurred. The Insurer's liability under this extension shall not exceed \$25,000 for any one occurrence.
- d Common Expense:** The Insurer agrees to indemnify the "Condominium Corporation" for the loss of such obligatory contribution toward common expense as may be assessed from time to time by the "Condominium Corporation" against all "unit" owners. The Insurer shall be liable under this extension for not more than the pro-rata share of such expense during the time the "unit(s)" remain unoccupied and untenable following a loss caused by an insured peril. The Insurer's liability under this extension shall not exceed \$25,000 for any one occurrence.
- e Additional Living Expenses:** The Insurer agrees to cover the necessary increases in living expenses (together with moving expenses, if necessary, of household furniture and personal effects) incurred by a "Unit" owner to continue as nearly practicable, the normal standard of living of the "Unit" owner's household:
- (i) in the event that loss or damage caused by a peril insured against renders the "Unit" untenable, and then only for the applicable period described in (1) and (2) below, whichever is the lesser:
 - 1. the time required, with the exercise of due diligence and dispatch to repair or replace such damaged or destroyed property;
 - 2. the time required for the "Unit" owner's household to become settled in permanent quarters; and
 - (ii) for the period of time, not exceeding (60) days, while access to the "premises" is prohibited by order of civil authority when such order is given as a direct result of damage to neighboring premises by a peril insured against.
- The Insurer's liability under this extension shall not exceed \$10,000 for any one "Unit" owner or \$100,000 aggregate in any one occurrence.
- Where the individual "Unit" owners hold other valid and collectable insurance against loss as detailed in this extension, then this policy shall apply only as excess insurance and only after all other insurance has been exhausted. The periods described above shall not be limited by the expiration of this policy.

The following exclusions are added to Section 6 – Property Excluded of the Commercial Package Property Broad Form Wording (11010):

6 PROPERTY EXCLUDED

- p personal property belonging to the owners of individual "units(s)";
- q improvements and betterments to individual "units" made or acquired at the expense of the owners of such "units". Where the "Condominium Corporation" is legally responsible for insuring such property, this exclusion does not apply to the first \$25,000 for improvements and betterments, of any loss otherwise insured. Where individual "unit" owners hold valid and collectable insurance for loss as insured under Building and Contents of the Property Broad Form wording for their improvements and betterments, then coverage under the Building and Contents of the Property Broad Form wording shall only apply as excess insurance and only after all other insurance shall have been exhausted.

Furthermore, the following definitions are added to Section 18 – DEFINITIONS of the Commercial Package Property Broad Form Wording (11010):

18 DEFINITIONS

- z "**Condominium Corporation**" means a corporation constituted under provincial or territorial legislation relating to condominiums or co-ownership by declaration. It refers to a strata corporation in British Columbia.

- aa **"Unit(s)"** means the unit as defined in the declaration, description or bylaws of the "Condominium Corporation" provincial or territorial legislation relating to condominiums or divided co-ownership. It refers to a strata lot in British Columbia.
- bb **"Spouse"** means a person:
- (i) who is married to or has entered into a civil union with another person and is living with that person;
 - (ii) who has been living with another person of the opposite or same sex and has been publicly represented as that person's spouse for at least (2) two years;
- or, in the following cases, for at least one year if:
1. a child has been born or is to be born of their union;
 2. they have adopted a child together;
 3. one of them has adopted a child of the other

The following conditions are added to, or replace those of the same name in the Commercial Package Policy General Terms and Conditions (Form 11000) or the Commercial Package Property Broad Form (Form 11010) to which this form is attached.

- a **Breach of Condition:** If the "Condominium Corporation" does not comply with a condition of this insurance, any claim for subsequent loss or damage is not recoverable. The Insurer will not deny a claim for this reason if the "Condominium Corporation" proves that the non-compliance neither caused nor worsened the loss or damage.
Coverage will not be affected:
- (i) if the "Condominium Corporation" fails to comply with a condition in part of the "premises" over which the "Condominium Corporation" has no control, or
 - (ii) if the breach is committed by an owner of the "unit" or occupant without the knowledge or consent of the "Condominium Corporation".
- b **Loss Adjustment:** The "Condominium Corporation" has the exclusive right to adjust any loss with the Insurer, and the owner of a damaged "unit" is bound by such adjustment, provided, however that the said "Condominium Corporation", may in writing, authorize an owner to adjust any loss to the owner's "unit" with the Insurer.
- c **Loss Payable:** Loss, if any, shall be payable in accordance with the provisions of the legislation under which the "Condominium Corporation" is constituted. If the legislation has no such provisions, loss, if any, shall be payable as stated on the "Declarations" page.
- d **Other Insurance:** If at the time of the loss there is other insurance in the name of the "Condominium Corporation" insuring the property described herein (whether collectible or not), the Insurer shall be liable for no greater proportion of any loss than the amount of insurance under this Form bears to the whole amount of insurance covering such property.
- e **Subrogation:** The Insurer, upon making any payment or assuming liability for payment under this form, shall be subrogated to all rights of recovery of the Insured against others and may bring action in the name of the Insured to enforce such rights.

Where the net amount recovered, after deducting the costs of recovery, is not sufficient to provide a complete indemnity for the loss or damage suffered, that amount shall be divided between the Insurer and the Insured in the proportion in which the loss or damage has been borne by them respectively. Except with respect to criminal or intentional acts or vehicle impact, the Insurer agrees with the Insured to waive its right of subrogation as to any claim against:

- (i) the Condominium Corporation, its Directors, Property Managers, agents and employees; and
- (ii) the owner of a "unit" and, if residents of the household of the owner of a "unit", his or her "spouse", provided the "Condominium Corporation" has waived its rights of legal action against such person prior to the loss.

Independent contractors shall not be considered agents or employees of the "Condominium Corporation", its Directors, Property Managers, or of the "unit" owners.

Any release from liability entered into by the Insured prior to loss does not affect the right of the Insured to recover under this policy.

- f **Termination:** In those jurisdictions where legislation under which the "Condominium Corporation" is constituted prescribes different policy termination conditions from those contained in the Policy Conditions or General Conditions of this policy, as the case may be, such prescribed conditions shall apply.
- g **Waiver of Insured's Option To Repair:** Where, after a loss, a valid determination is made in accordance with provincial or territorial legislation not to repair or rebuild and any relevant statutory requirements in connection with such determination have complied with, or where by virtue of such legislation, the Court has made an order directing the application of insurance monies, the Insurer waives its option to repair and settlement of the loss shall be made on an actual cash value basis.

EXCEPT AS OTHERWISE PROVIDED IN THIS FORM, ALL TERMS, CONDITIONS AND PROVISIONS OF THE POLICY TO WHICH THIS FORM IS ATTACHED SHALL HAVE FULL FORCE AND EFFECT.