

## COMMERCIAL CONDOMINIUM UNIT OWNERS EXTENSION ENDORSEMENT

This endorsement modifies insurance provided under the following:

### COMMERCIAL PROPERTY BROAD FORM

Attached to and forming part of Form.....of Policy number.....Effective.....

#### 1. Unit Improvements

We insure improvements and betterments made or acquired at your expense to the "standard unit". Improvements and betterments may include:

1. any building or structures on premises;
2. material and supplies on the premises for use in such improvements and betterments.

The most we will pay for any one loss is as stated on the Declarations Page.

#### 2. Loss Assessment Coverage

If the premises described on the *Declarations Page* is a condominium "unit" that you own, we agree to extend the insurance provided by "2. Property Insured" to cover your share of an assessment charged to all "unit" owners by the "condominium corporation", when the assessment is made:

- a) during the policy period shown in the Declarations;
- b) the assessment is valid under the "condominium corporations" governing rules, and
- c) is a result of direct physical loss or damage to property in which each "unit" owner has an undivided interest, if such loss or damage is caused by an insured peril as defined by the policy to which this endorsement is attached.

The most we will pay for each assessment is as indicated on the Declarations Page. But we will not pay more than \$\_\_\_\_\_ for an assessment that results from a deductible in the insurance purchased by the "condominium corporation".

#### 3. Additional Protection for Building

In the event loss or damage to the "condominium corporation's" building is caused by an insured peril as defined by the policy to which this endorsement is attached, we will cover your "unit" as originally constructed, excluding your improvements and betterments but, including items of real property that pertain exclusively to your "unit", if the "condominium corporation" has no insurance, its insurance is inadequate, or it is not effective.

The most we will pay for any one loss is as stated on the Declarations Page.

#### 4. DEFINITIONS

"Condominium Corporation" means the condominium or strata corporation established under provincial legislation.

"Standard Unit" is defined in the bylaws of the Condominium Corporation as required by the Provincial Condominium Act.

"Unit" means the condominium unit, strata lot or exclusive portion described in the Condominium Declaration or Co-ownership Declaration occupied by you as a commercial enterprise and includes outbuildings reserved for your exclusive use or occupancy.

The amounts of insurance are shown on the Declaration page.

#### **5. BASIS OF CLAIM PAYMENT**

We will pay for insured loss or damage up to your financial interest in the property, but not exceeding the applicable amount(s) of insurance for any loss or damage arising out of one occurrence. Any loss or damage shall not reduce the amounts of insurance provided by this Form.

**DEDUCTIBLE:** We are responsible only for the amount by which the loss or damage caused by any of the Insured Perils exceeds the amount of the deductible shown on the Declaration page in any one occurrence.

**Improvements:** If within a reasonable time after damage, you replace or repair loss or damage to your improvements with materials of similar quality, we will pay for the actual cost of repairs or replacements (whichever is less) without deduction or depreciation. If loss or damage is not replaced or repaired within a reasonable time, we will pay the actual cash value of the loss or damage at the date of the occurrence.

**Actual Cash Value:** The Actual Cash Value will take into account such things as the cost of replacement less any depreciation, and in determining depreciation; we will consider the condition immediately before the damage, the resale value and the normal life expectancy.

All other policy terms, limits and conditions apply.