

# Uniform Condominium Insurance

(1973 Proceedings, page 263)

(NOTE: The following provisions are recommended to be inserted in condominium or strata title Acts to provide for a uniform method of dealing with the insurance of condominium or strata developments.)

**00.** (1) The Corporation shall obtain and maintain insurance in respect of the units and the common elements to the replacement value thereof against fire, and against such other perils including liability as may be specified by the declaration or by-laws to the amount required by the declaration or the by-laws: and for this purpose the Corporation shall be deemed to have an insurable interest in the units, the common elements, and in the subject matter of any other perils insurance.

Insurance  
against perils

(2) Any payment by an insurer under a policy of insurance entered into under subsection (1) shall, notwithstanding the terms of the policy, be paid to the order of the Insurance Trustees designated by the declaration or the by-laws of the Corporation, if any, otherwise shall be paid to or to the order of the Corporation; and, subject to section 00, the corporation shall forthwith use the proceeds for the repair or replacement of the damaged units and common elements so far as the same may lawfully be effected.

Payments under  
insurance  
policy

(3) A policy of insurance issued to a corporation under subsection (1) is not liable to be brought into contribution with any other policy of insurance except another policy issued on the same property under subsection (1); and, notwithstanding the provisions of the policy, shall be deemed not to be other insurance in relation to such other policy.

No contribution

(4) Notwithstanding subsection (1), the *Insurance Act* or any other law relating to insurance, a unit owner may obtain and maintain insurance

Rights of unit  
owner to have  
insurance

- (a) in respect of loss or damage to his unit against fire and other perils in excess of any amount for which it is insured by the Corporation under subsection (1);
- (b) in respect of loss or damage to his unit in excess of any amount for which the improvements are insured by the Corporation under subsection (1);

- (c) in respect of loss of rental value of his unit in excess of any amount for which it is insured by the Corporation under subsection (1); or
- (d) for the purpose of paying to the mortgagee under a mortgage of the unit the amount owing under the mortgage on the date of any loss or damage to the unit.

Where insurance money to be paid to mortgagees

(5) Notwithstanding the *Insurance Act*, or the terms and conditions of the policy, any payment by an insurer under a policy of insurance entered into for the purpose of subsection (4)(d) shall be made to the mortgagees, if the mortgagees, or any of them so require, in the order of their priorities, and the insurer is then entitled to an assignment of the mortgage or a partial interest in the mortgage to secure the amount so paid.

No contribution

(6) A policy of insurance issued to a unit owner under this section is not liable to be brought into contribution with any other policy of insurance except another policy issued on the same property; and notwithstanding the provisions of the policy, shall be deemed not to be other insurance in relation to such other policy.

Other insurance

(7) Subsection (1) does not restrict the capacity of any person to insure otherwise than as provided in that subsection.

