

Part 8. Insurance and Indemnity

1. Insurance and Indemnity

- (1) An owner is deemed to be responsible for any loss or damage caused to property, personal injury, death or any other loss or damage; where the original cause of any such loss or damage originated within the owner's unit or an occupant's vehicle or originated from personal property of the owner or occupant, or from fixtures or personal property located within the unit; to the extent that the loss or damage is not fully paid from the proceeds of an insurance policy.
- (2) An owner is also deemed to be responsible for any loss or damage to property, personal injury, death or any other loss or damage; where the cause of any such loss or damage is the result of an act, omission, negligence or carelessness of the owner, and/or owner's tenants, occupants, employees, agents, visitors or invitees, and to the extent that the loss or damage is not fully paid from the proceeds of an insurance policy.
- (3) If any loss or damage deemed to be the responsibility of an owner under subsections (1) and/or (2) of this bylaw results in a claim against any insurance policy held by the Homeowners Corporation; that owner is strictly liable to reimburse the Homeowners Corporation for the full amount of any insurance deductible, any portion of insurance coverage declined and/or any amount by which the loss or damage exceeds the insurance coverage. That owner shall indemnify and save harmless the Homeowners Corporation for these amounts.
- (4) If any loss or damage deemed to be the responsibility of an owner under subsections (1) and/or (2) of this bylaw does not exceed the insurance deductible for an insurance policy held by the Homeowners Corporation; that owner is strictly liable and shall fully indemnify and save harmless the Homeowners Corporation for

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any resulting expense for maintenance, repair or replacement rendered necessary, which it is the Homeowners Corporation's responsibility to perform. (5) If an owner is deemed or determined to be responsible for any expense, insurance deductible, any loss or damage to property, personal injury, death or any other loss or damage whatsoever pursuant to these bylaws, the owner must fully indemnify the Homeowners Corporation for all reasonable legal expenses incurred in relation to defending any related claim against the Homeowners Corporation, and/or prosecuting any claim made against the owner, such indemnity to be on a "solicitor and own client" basis, including legal fees, disbursements, expenses, taxes, filing and/or Court fees, all on a full indemnity basis.

- (6) Owners are responsible to ensure that their unit interior is maintained at a minimum temperature of ten degrees Celsius, year round. Any water pipe leak, burst or any other loss or damage whatsoever which the Board of Directors reasonably determines resulted from or is contributed to by an owner's failure to comply with

this bylaw shall constitute loss or damage which is deemed to be the responsibility of that owner pursuant to these bylaws, whether the loss or damage occurs within that owner's unit, within adjacent common areas, exclusive use area or within an adjacent unit.

- (7) In the event that a condition exists within a unit that presents a risk to health or property of an owner, tenant or other occupant; the Board of Directors may order that the unit be vacated, in which case no person may occupy the unit until the unit is restored to safe condition and the owner of the unit is responsible for any live-out costs incurred until the unit is restored to safe condition.
- (8) Nothing in these bylaws shall be interpreted to prevent the Homeowners Corporation or any person from fully availing themselves of the proceeds of an insurance policy.
- (9) The Homeowners Corporation may claim against an owner to recover an insurance deductible or other damages. That claim may include (without limitation) a claim authorized by the terms of the Sublease, or circumstances where an owner is responsible for the loss or damage that gave rise to the claim by virtue of being the owner of a unit from which a water escape or other source of damage originated, or where a vehicle, guest, pet or incident associated with the unit were involved in, caused or resulted in the loss and associated deductible.
- (10) The Board of Directors may obtain additional insurance for coverage of volunteers, for specific projects, or other circumstances, as required to protect the interests of the Homeowners Corporation.
- (11) Owners intending to make an insurance claim against the Homeowners Corporation's insurance, or that may affect or result in a claim on the common insurance policy held by the Homeowners Corporation, must provide the Board of Directors with prior notice of that intention.
- (12) Each owner must maintain insurance as follows:
 - a. Insurance over their unit, including contents and all insurable improvements to replacement value against fire and other perils included as standard in residential all-risks coverage;

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- b. Third party liability insurance in relation to their unit in the minimum amount of two million dollars as specified in their Sublease; and
- c. Loss limit and deductible coverage to the current Homeowners Corporation's deductible amount.

2. Insurability

- (1) No person may produce, store or use any item or substance within the bounds of the registration plan which increase insurance rates of the Homeowners Corporation, jeopardize insurance coverage of the Homeowners Corporation or increase the difficulty in finding an insurer willing to insure the registration plan, encourage break and entry, discourage emergency responders from attending the property in an emergency, are specifically prohibited by law, are specifically prohibited by the

Homeowners Corporation's insurer, or which fall into the following categories of specifically prohibited items:

- a. Marijuana plants and/or marijuana products, excepting lawful storage or use of small quantities of marijuana products for approved medicinal or other lawful use by a resident which complies with these bylaws;
- b. Other controlled substances, except for substances specifically prescribed to a resident by a physician;
- c. Fireworks, firearms and/or ammunition, excepting lawful and secure storage of firearms and/or ammunition;
- d. Fuels, combustibles, explosives, corrosives, poisons, noxious substances or other substances or items which are not typically found in a residential development or are likely to create an unreasonable hazard, insurance risk, risk of damage to property, risk of injury or death, nuisance, or which are present in unreasonable form or quantity for a residential development; and
- e. Any substance or item which is unlawful, unlawfully obtained, unlawfully kept, unlawfully stored or unlawfully used.