

## Insurance Checklist – Before You Insure

### Property insurance required for strata corporation

- 149** (1) The strata corporation must obtain and maintain property insurance on
- (a) common property,
  - (b) common assets,
  - (c) buildings shown on the strata plan,
  - (d) fixtures built or installed on a strata lot, if the fixtures are built or installed by the owner developer as part of the original construction on the strata lot.
- (2) For the purposes of subsection (1) (d) and section 152 (b), "fixtures" has the meaning set out in the regulations.

### Definitions for section 149 of the Act

**9.1** (1) For the purposes of sections 149 (1) (d) and 152 (b) of the Act, "**fixtures**" means items attached to a building, including floor and wall coverings and electrical and plumbing fixtures, but does not include, if they can be removed without damage to the building, refrigerators, stoves, dishwashers, microwaves, washers, dryers or other items.

(2) For the purposes of section 149 (4) (b) of the Act, "**major perils**" means the perils of fire, lightning, smoke, windstorm, hail, explosion, water escape, strikes, riots or civil commotion, impact by aircraft and vehicles, vandalism and malicious acts.

[am. B.C. Reg. 265/2000.]

### Liability insurance required for the strata corporation

- 150** (1) The strata corporation must obtain and maintain liability insurance to insure the strata corporation against liability for property damage and bodily injury.
- (2) The insurance must be of at least the amount required in the regulations.

### Minimum liability insurance

- 9.2** For the purposes of section 150 of the Act, the strata corporation must obtain and maintain liability insurance for a minimum amount of \$2 000 000.
- (3) Subsection (1) (d) does not apply to a bare land strata plan.
- (4) The property insurance must
- (a) be on the basis of full replacement value, and
  - (b) insure against major perils, as set out in the regulations, and any other perils specified in the bylaws.

### Errors and omissions insurance

**151** The strata corporation may obtain and maintain errors and omissions insurance for council members against their liability and expenses for errors and omissions made in the exercise of their powers and performance of their duties as council members.

### Optional strata corporation insurance

- 152** The strata corporation may obtain and maintain insurance in respect of the following:
- (a) a peril or liability of the strata corporation that is not referred to in section 149 or 150;
  - (b) fixtures built or installed on a strata lot that were not built or installed by the owner developer as part of the original construction on the strata lot.

### Insurable interest

**153** The strata corporation has an insurable interest in any property insured under section 149 or 152.

### Review and report on insurance

- 154** The strata corporation must
- (a) review annually the adequacy of the strata corporation's insurance, and
  - (b) report on the insurance coverage at each annual general meeting.

### Named insureds

- 155** Despite the terms of the insurance policy, named insureds in a strata corporation's insurance policy include
- (a) the strata corporation,
  - (b) the owners and tenants from time to time of the strata lots shown on the strata plan, and
  - (c) the persons who normally occupy the strata lots.

### Payment of insurance proceeds

- 156** Despite the terms of the insurance policy, in making a payment, other than a payment arising from the liability of the strata corporation, under the strata corporation's insurance policy, an insurer must make the payment
- (a) to the order of the insurance trustee designated by the bylaws, or
  - (b) if an insurance trustee is not designated, to the order of the strata corporation to be held in trust until paid out under section 157.

**Application of insurance money**

**157** Insurance money received under section 156 with respect to damaged property must be used to repair or replace the damaged property without delay unless the strata corporation decides not to make the repair or replacement under section 159.

**Insurance deductible**

**158** (1) Subject to the regulations, the payment of an insurance deductible in respect of a claim on the strata corporation's insurance is a common expense to be contributed to by means of strata fees calculated in accordance with section 99 (2) or 100 (1).

(2) **Subsection (1) does not limit the capacity of the strata corporation to sue an owner in order to recover the deductible portion of an insurance claim if the owner is responsible for the loss or damage that gave rise to the claim.**

(3) Despite any other section of this Act or the regulations, strata corporation approval is not required for a special levy or for an expenditure from the contingency reserve fund to cover an insurance deductible required to be paid by the strata corporation to repair or replace damaged property, unless the strata corporation has decided not to repair or replace under section 159.

**Owner's insurance**

**161** (1) Despite the *Insurance Act* or any other law, an owner may obtain and maintain insurance for any or all of the following:

- (a) loss or damage to the owner's strata lot and the fixtures referred to in section 149 (1) (d)
  - (i) against perils that are not insured by the strata corporation, and
  - (ii) for amounts that are in excess of amounts insured by the strata corporation;
- (b) fixtures in the owner's strata lot, other than the fixtures referred to in section 149 (1) (d);
- (c) improvements to fixtures referred to in section 149 (1) (d);
- (d) loss of rental value of the owner's strata lot in excess of insurance obtained and maintained by the strata corporation;
- (e) liability for property damage and bodily injury, whether occurring on the owner's strata lot or on the common property.

(2) Despite this Act, the *Insurance Act* or any other law, an owner of a strata lot in a bare land strata plan may obtain and maintain insurance on buildings or fixtures built or installed on the strata lot.

**Checklist – Before you renew**

*Start your renewal process at least 30 days before the expiry.*

- Is the appraisal updated? \_\_\_\_\_
- Are you insured for full value? \_\_\_\_\_
- Are all fixtures included? \_\_\_\_\_
- Are all perils covered? \_\_\_\_\_
- Is \$2,000,000 liability enough? \_\_\_\_\_
- Is D&O Insurance included? \_\_\_\_\_
- Are there any exemptions? \_\_\_\_\_
- Do you have any employees? \_\_\_\_\_
- Do you insure any volunteers? \_\_\_\_\_
- Boiler & Machinery Coverage \_\_\_\_\_
- Personal Injury Coverage \_\_\_\_\_
- Medical Expense Coverage \_\_\_\_\_
- Tenant Liability \_\_\_\_\_
- Environmental Liability \_\_\_\_\_
- Employee Benefits \_\_\_\_\_
- Confirm deductible amounts \$**
- Water escape Deductible \_\_\_\_\_
- Sewer Backup \_\_\_\_\_
- Glass deductible \_\_\_\_\_
- Earthquake coverage \_\_\_\_\_
- Earthquake deductible \_\_\_\_\_
- Key loss \_\_\_\_\_
- Flood \_\_\_\_\_
- Grow op / Meth Lab cultivation \_\_\_\_\_