

FINAL Minutes Town Hall on Insurance
Carleton Condominium Corporation No. 82
Frobisher Place Office
Monday July 29th, 2013

Present:	Mostafa El-Defrawy	President
	Nadia Giancaspro	Vice President/Secretary
	Doug Brandy	Director
	Annie Katona	Director

By Invitation:

Monica Murad, Property Manager, PMA; James Davidson, Nelligan O'Brien Payne LLP

Regrets : Nicolas Mezher (Treasurer); Heinrich Teworte (Director); Greg Labonte (Director)

The Board invited James Davidson from Nelligan O'Brien Payne, LLP, to provide an information session on Insurance and deductibles.

As per the *Condominium Act*, the corporation is required to obtain and maintain insurance covering the common elements and standard units on behalf of owners. The insurance must cover major perils and other perils as specified in the by-laws or Declaration. Relevant insurance by-laws for CCC No. 82 are: By-Law No. 7 and By-Law No. 8. Furthermore, Article IX of CCC No. 82's Declaration contains further provisions on Insurance.

Examples of major perils insured under the Corporation's insurance are: water escape, fire, windstorm, etc. It is to be noted that there is a distinction between water escape and flood. Flood is considered a natural body of water overflowing whereas water escape is, for example, toilet cracks and there is water damage to a common element or unit. It was noted that the Corporation's policy may exclude sewer backup or flood.

Owners are entitled to the Corporation's insurance however, owners must be mindful that there is a deductible under the insurance policy which is an amount of the loss that the insurer won't pay.

CCC no. 82's By-Law No. 7 lays out the requirements and responsibilities for insurance deductible. A person who is at fault must pay the deductible. If no one is to blame for an insured event, the unit owner is responsible to pay for the deductible.

Standard units are defined in CCC No. 82's Standard By-Law No. 8. Owners should obtain their own personal insurance for unit improvements which are not covered by the standard unit. For example, as per By-Law No. 8, original living room floor is standard weight carpeting installed over under padding on concrete slab. If an owner has installed hardwood flooring and there is an insurable event, the Corporation's insurance will cover the cost of the standard unit flooring whereas the owner is responsible for the difference in the cost to replace the hardwood flooring. It is wise to provide your insurance broker with a list of the improvements to your unit to describe what is different from the standard unit.

Owners should obtain an insurance rider which would cover for the Corporation's deductible, which is \$5000.00. Insurance riders are extra protection beyond standard insurance agreements, however most insurance companies that insure high rise condominium owners include coverage for the Corporation's deductible.

J. Davidson provided a document which had examples of when damage results from an insured event and who would be responsible to pay for the deductible.

Adjournment

Meeting adjourned at 8:30 pm.

Mostafa El-Defrawy, President

Nadia Giancaspro, Vice-President/Secretary