

COMMERCIAL CONDOMINIUM UNIT OWNERS EXTENSION ENDORSEMENT

This endorsement modifies insurance provided under the following:

COMMERCIAL BUILDING, EQUIPMENT AND STOCK BROAD FORM

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:

- 1) during the policy period shown in the Declarations;
- 2) the assessment is valid under the "condominium corporations" governing rules, and
- 3) 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 \$10,000 for an assessment that result 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.

"We" means Heartland Farm Mutual Inc.

"You" and "Your" means the name of insured as shown on the Declaration page.

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