

CONDOMINIUM UNIT OWNERS COMPREHENSIVE FORM

TABLE OF CONTENTS

	pages
AGREEMENT.....	2
SECTION I – PROPERTY COVERAGES.....	2
DEFINITIONS.....	2
COVERAGE C – PERSONAL PROPERTY.....	2
Personal Property On Your Premises.....	2
Personal Property Temporarily Away From Your Premises.....	3
Moving Your Personal Property To Another Home.....	3
Personal Property with Special Limits of Insurance.....	3
Personal Property Not Insured.....	3
Outdoor Trees, Shrubs, Plants And Lawns.....	3
COVERAGE D – LOSS OF USE OF YOUR UNIT.....	4
Additional Living Expenses.....	4
Maintenance Fees.....	4
Fair Rental Value.....	4
Prohibited Access By Civil Authority.....	4
CONDOMINIUM PROTECTION.....	4
Unit Improvements And Betterments.....	4
Unit Additional Protection.....	4
Common Elements Loss Assessment.....	4
ADDITIONAL COVERAGES.....	4
Freezer Foods.....	4
Change of Temperature.....	4
Credit, Debit Or Automated Teller Cards, Depositors Forgery And Counterfeit Paper Money.....	4
Debris Removal.....	5
Doors and Glass.....	5
Fire Department Charges.....	5
Inflation Protection.....	5
Lock Repair or Replacement.....	5
Mass Evacuation Additional Living Expense.....	5
Permission To Remove Property.....	5
Tear Out.....	5
Arson or Theft Conviction Reward.....	5
INSURED PERILS.....	5
LOSS OR DAMAGE NOT INSURED.....	5
BASIS OF CLAIM SETTLEMENT.....	6
When Coverage Applies.....	6
Deductible.....	6
Coverage C – Personal Property.....	7
Unit Improvements And Betterments And Unit Additional Protection.....	7
Actual Cash Value.....	7

AGREEMENT

We provide the insurance described in this policy in return for payment of the premium and subject to the terms and conditions set out. All amounts of insurance, premiums and other amounts expressed in this policy are in Canadian currency.

The Coverage Summary page summarizes the coverages and amounts of insurance we have agreed to provide and the period for which they are provided.

Only the person(s) named on the Coverage Summary page may take legal action against us.

SECTION I – PROPERTY COVERAGES

DEFINITIONS

Amount of Insurance means the maximum amount we will pay for any one occurrence or incident no matter how many people covered by this policy are involved. Different amounts apply to different coverages and these amounts are shown on the Coverage Summary page.

Business means any continuous or regular pursuit undertaken for financial gain including a trade, profession, occupation or agricultural operations.

Business Premises means premises on which a business is conducted, premises rented in whole or in part to others, or held for rental.

Business Property means property pertaining to a business, trade, profession or occupation.

Common Elements means collectively owned condominium property.

Condominium Corporation means a condominium or strata corporation and in Quebec the meeting of co-proprietors, established under provincial legislation.

Data means representations of information or concepts in any form.

Data Problem means:

- erasure, destruction, corruption, misappropriation or misinterpretation of data;
- error in creating, amending, entering, deleting or using data; or
- inability to receive, transmit or use data.

Domestic water container means a device or apparatus for personal use on the premises for containing, heating, chilling or dispensing water.

Fungi includes, but is not limited to, any form or type of mould, yeast, mushroom or mildew whether or not allergenic, pathogenic or toxigenic, and any substance, vapour or gas produced by, emitted from or arising out of any Fungi or Spore(s) or resultant mycotoxins, allergens, or pathogens.

Ground Water means water in the soil beneath the surface of the ground, including but not limited to water in wells, underground streams and percolating water.

Insured means the person(s) named as Insured on the Coverage Summary page and, while living in the same household:

- his or her spouse;
- the relatives of either; and
- any person under 21 in their care.

Spouse means a person

- who is married to or has entered into a civil union with another person and is living with that person; or
- who has been living with another person of the opposite or the same sex and has been publicly represented as that person's spouse for at least two (2) years; or
- in the following cases, for at least one (1) year if:
 - a child has been born or is to be born of their union; or
 - they have adopted a child together; or
 - one of them has adopted a child of the other.

In addition, a student who is enrolled in and attends a school, college or university and who is dependent on the Named Insured or his or her spouse for support and maintenance is also insured even if temporarily residing away from the principal residence stated on the Coverage Summary page.

Insured Peril means a cause of loss or damage insured under the coverage form stated on the Coverage Summary page.

Maintenance Fees means the monthly charge for your share of the Condominium Corporation operating expenses such as utilities, regular upkeep and maintenance, management, administration and insurance for common elements.

Occurrence means a loss to insured property caused by one or more of the insured perils.

Premises means your unit, and includes garages, outbuildings and private approaches reserved for your use or occupancy only.

Residence Employee means a person employed by you to perform household or domestic services or duties of a similar nature in connection with the maintenance or use of the insured premises but not persons performing duties in connection with any business you conduct.

Spore(s) includes, but is not limited to, any reproductive particle or microscopic fragment produced by, emitted from or arising out of any Fungi.

Surface Waters means water on the surface of the ground where water does not usually accumulate in ordinary watercourses, lakes or ponds.

Terrorism means an ideologically motivated unlawful act or acts, included but not limited to the use of violence or force or threat of violence or force, committed by or on behalf of any group(s), organization(s) or government(s) for the purpose of influencing any government and/or instilling fear in the public or a section of the public.

Unit means the condominium unit, strata lot or exclusive portion described in the Condominium Declaration or Co-ownership Declaration occupied by you as a private residence.

Vacant refers to the circumstance where, regardless of the presence of furnishings:

- all occupants have moved out with no intention of returning to take up residence at the dwelling and no new occupant has taken up residence; or,
- in the case of a newly constructed dwelling, no occupant has yet taken up residence.

Water main means a pipe forming a part of a water distribution system, which conveys consumable water but not waste water.

We, us or our means the company providing this insurance.

You or your refers to the Insured.

COVERAGE C – PERSONAL PROPERTY

Personal Property On Your Premises

We insure the contents of your unit and other personal property you own, wear or use while on your premises and which are usual to the ownership or maintenance of a dwelling. This includes any contents kept in a storage locker located in the Condominium building your unit is part of.

If you wish, we will include uninsured personal property owned by others while it is on that portion of your premises which you occupy but we do not insure property of roomers or boarders who are not related to you.

Personal Property Temporarily Away From Your Premises

We also insure your personal property while it is temporarily away from your premises anywhere in the world. If you wish, we will include personal property belonging to others while it is in your possession or belonging to a residence employee travelling for you.

We insure the personal property of any student insured by this policy, who is temporarily living away from home for the purpose of attending a school, college or university.

The student must be dependent on the Named Insured or his or her spouse for support and maintenance and, must intend to return to the principal residence upon completion of the school year in order for this coverage to apply.

Personal property stored in a warehouse is insured, but for 90 days only, if the loss or damage is caused by an Insured peril. Coverage will cease, except for loss by theft or attempted theft for the duration of the policy term, unless we have been notified within the first 30 days and endorse your policy accordingly.

Personal property normally kept at any other location you own is not insured.

Moving Your Personal Property To Another Home

We insure your personal property while in transit to and at another location within Canada which is to be occupied by you as your principal dwelling. Coverage applies for 90 consecutive days commencing on the date personal property is removed from your unit, but not beyond the date the policy expires or is terminated. This coverage does not increase the amounts of insurance.

Personal Property with Special Limits of Insurance

Coverage for the following types of personal property is subject to Special Limits of Insurance, which are shown below. These limits are the most we will pay for insured loss or damage in any one occurrence.

For all insured losses	Limit
Money or cash cards*	\$1,000
Business property, but only while on your premises	\$5,000
Securities	\$7,500
Watercraft, their furnishings, equipment, accessories and motors	\$3,000
Utility trailers	\$2,000
Spare automobile parts	\$1,000

For theft or mysterious disappearance losses	Limit
Jewellery, watches, gems and furs	\$10,000
Coin or banknote collections	\$1,000
Stamp collections	\$2,500
Each bicycle, its equipment and accessories	\$2,000
Collectible cards (such as sports personality cards) and comic books	\$5,000

* "Cash cards" mean cards designed to store a cash value by electronic means for use as a mode of payment, without a personal identification number and without direct access to a bank account or other account.

Personal Property Not Insured

We do not insure:

- data;
- business property, other than as shown under Personal Property with Special Limits of Insurance;
- samples and goods held for sale;
- evidences of debt or title;
- sporting equipment where the loss or damage is due to its use;
- property in any fairground, exhibition or exposition for the purpose of exhibition or sale;
- any property illegally acquired, kept, stored, or transported, or the proceeds of crime;
- any property lawfully seized or confiscated unless such property is destroyed to prevent the spread of fire;
- animals, birds or fish unless the loss or damage is caused by fire, lightning, explosion, riot, theft or attempted theft, vandalism and malicious acts or collision of an automobile or common carrier in which the animal is being transported;
- - a) motorized vehicles or their equipment (except wheelchairs or scooters having more than two wheels and specifically designed for the carriage of a person who has a physical disability, golf carts, watercraft, lawn mowers, garden tractors including attachments and accessories or snow blowers, other than those used for compensation or hire);
 - b) camper units, truck caps, or their equipment;
 - c) aircraft or their equipment;
 - d) trailers, other than as shown under Personal Property with Special Limits of Insurance.

"Equipment" includes audio, visual, recording or transmitting equipment powered by the electrical system of a motor vehicle or aircraft.

"Equipment" does not include spare automobile parts.

Outdoor Trees, Shrubs, Plants And Lawns

You may apply up to 5% in all of the amount of insurance on your personal property to trees, plants, shrubs and lawns on your premises. We will not pay more than \$1,000 for any one tree, plant or shrub including debris removal expenses.

We insure these items against loss caused by fire, lightning, theft, explosion, impact by aircraft, spacecraft or land vehicle, riot, vandalism or malicious acts.

We do not insure items grown for commercial purposes.

COVERAGE D – LOSS OF USE OF YOUR UNIT

The amount of insurance for Coverage D is the total amount for any one or a combination of the following coverages. The periods of time stated below are not limited by the expiration of the policy.

Additional Living Expenses

If, as a result of damage by an Insured Peril, your unit is unfit for occupancy or you have to move out while repairs of insured damage are being made, we insure any necessary increase in living expenses, including moving expenses, incurred by you so that your household can maintain its normal standard of living. This includes the cost of temporary membership to fitness or health club facilities that you would normally have access to in the Condominium building your unit is part of. Payment shall be for the reasonable time required to repair or rebuild your dwelling or, if you permanently relocate, the reasonable time required for your household to settle elsewhere.

Maintenance Fees

If, as a result of damage by an Insured Peril, your unit is unfit for occupancy or you have to move out while repairs of insured damage are being made, we will pay the maintenance fees for your unit. Payment shall be for the reasonable time required to repair or rebuild your dwelling or, if you permanently relocate, the reasonable time required for your household to settle elsewhere.

Fair Rental Value

If an Insured Peril makes that part of the unit rented to others or held for rental by you unfit for occupancy, we insure its Fair Rental Value. Payment shall be for the reasonable time required to repair or replace that part of the unit rented or held for rental.

Fair Rental Value shall not include any expense that does not continue while that part of the unit rented or held for rental is unfit for occupancy.

Prohibited Access By Civil Authority

If a civil authority prohibits access to your premises as a direct result of damage to neighbouring premises by an Insured Peril under this policy we insure any resulting Additional Living Expense and Fair Rental Value for a period not exceeding 30 days.

We do not insure the cancellation of a lease or agreement.

CONDOMINIUM PROTECTION

We will pay up to \$500,000 in any one occurrence for loss or damage caused by an Insured Peril. If the "\$1 Million Condominium Protection" option has been purchased and is shown on your Coverage Summary page, then we will pay up to \$1,000,000 in any one occurrence for loss or damage caused by an Insured Peril. The applicable amount of insurance for this section applies to any one or a combination of the following coverages.

Unit Improvements And Betterments

Improvements and betterments made or acquired by you, including:

- any building, structure or outdoor domestic water container, including swimming pools, hot tubs, saunas and attached equipment on the premises;
- materials and supplies on the premises for use in such improvements and betterments.

Unit Additional Protection

We insure your unit, if the Condominium Corporation has no insurance, its insurance is inadequate, or it is not effective.

We will cover the portion of any insured loss to your unit that is excluded under the deductible clause in the Condominium Corporation insurance policy and for which you are responsible.

Common Elements Loss Assessment

We will pay your share of any special assessment if the assessment is valid under the Condominium Corporation's governing rules and it is made necessary by a direct loss to common elements.

This includes an assessment due to a deductible in the Condominium Corporation policy. If an assessment is made necessary by an earthquake deductible we will not pay more than \$2,500.

You may apply up to 10% of this insurance to insure building fixtures and fittings pertaining to your unit while temporarily removed from the premises for repair or seasonal storage.

ADDITIONAL COVERAGES

Freezer Foods

We will pay for loss or damage to foods while contained in a freezer on your premises resulting from the failure of the freezer's refrigeration equipment caused by:

- mechanical breakdown of the unit;
- the accidental interruption of electrical power on or off the premises.

This coverage also includes loss or damage to the freezer itself resulting from spoilage of the foods contained within.

We do not insure:

- loss or damage caused by your failure to use reasonable means to save the food from spoilage or to arrange restoration of the power supply;
- loss or damage caused by any process of refinishing, renovating or repairing the appliance;
- loss or damage resulting from the manual or accidental disconnection of the appliance from the dwelling power supply;
- expenses incurred in the acquisition of the food.

Change of Temperature

While your personal property is in your unit, it is covered up to the amount of insurance on your personal property for loss or damage due to a change of temperature resulting from damage to your unit or equipment caused by an Insured Peril.

Credit, Debit Or Automated Teller Cards, Depositors Forgery And Counterfeit Paper Money

1. Coverages

We will pay for:

- a) your legal obligation to pay because of the theft or unauthorized use of credit cards issued to you or registered in your name provided you have complied with all conditions under which the card was issued;
- b) loss caused by the theft and use of your automated teller card provided you have complied with all the conditions under which the card was issued;
- c) loss to you caused by the forgery or alteration of cheques, drafts or other negotiable instruments;
- d) loss by your acceptance in good faith of counterfeit Canadian or United States paper currency.

2. Exclusions

We do **not** insure:

- a) losses caused by your dishonesty;
- b) losses arising out of your business pursuits;
- c) losses caused by the use of your credit card or automated teller card by a resident of your household or by a person to whom you have entrusted the card.

The most we will pay under this coverage during the term of this policy is **\$10,000**.

This coverage is **not** subject to a deductible.

Debris Removal

The amounts of coverage shown on the Coverage Summary page include the cost of removing debris caused by loss or damage to property insured by this policy as a result of an Insured Peril.

However, when the amount payable for loss or damage to property equals the amounts of coverage, we will pay up to an additional 5% of the amount of insurance on **Coverage C – Personal Property** for debris removal expenses.

Doors and Glass

We insure loss or damage to the doors and glass that form part of your unit, caused by an Insured Peril, if you are responsible under the Condominium Corporation's governing rules.

Fire Department Charges

We will reimburse you for charges incurred if a fire department charges for attending your home because of an Insured Peril.

This coverage is **not** subject to a deductible.

Inflation Protection

If there is a loss insured under Section I, we will automatically increase the amounts of insurance shown on the Coverage Summary page, under Section I, by amounts which are solely attributable to the inflation increase:

- since the inception date of this policy; or
- the latest renewal date; or
- from the date of the most recent change to the amounts of insurance shown on the Coverage Summary page; whichever is the latest.

On the renewal date of your policy, if required, we will automatically increase the amounts of insurance shown on the Coverage Summary page, under Section I, by amounts which are solely attributable to the inflation increase since the inception date of this policy or the latest renewal date.

Lock Repair or Replacement

We will pay up to \$1,000 in all to replace or rekey, at our option, the locks on your dwelling or your private passenger automobile(s) including the ignition, if your keys are stolen, provided the theft is reported to the police or law enforcement agency having jurisdiction at the location of the theft.

This coverage is **not** subject to a deductible.

Mass Evacuation Additional Living Expense

We will pay any necessary and reasonable increase in living expense incurred by you while access to your unit is prohibited by order of civil authority but only when such order is given for mass evacuation as a direct result of a sudden and accidental event within Canada or the United States of America.

You are insured for a period not exceeding 30 days from the date of the order of evacuation.

You are not insured for any claim arising from evacuation resulting from:

- flood, meaning waves, tides, tidal waves, tsunami, or the rising of, the breaking out or the overflow of, any body of water, whether natural or man-made;
- earthquake;
- war, invasion, act of a foreign enemy, declared or undeclared hostilities, civil war, rebellion, revolution, insurrection or military power;
- any nuclear incident as defined in the Nuclear Liability Act, or any other nuclear liability act, law or statute, or any law amendatory thereof, or nuclear explosion, except for ensuing loss or damage which results directly from fire, lightning or explosion of natural, coal or manufactured gas;
- contamination from radioactive material.

The term "civil authority" shall mean any person acting under the authority of the Governor General in Council of Canada or the Lieutenant Governor in Council of a province and/or any person acting with authority under a Federal, Provincial or Territorial legislation with respect to the protection of persons and property in the event of an emergency.

Permission To Remove Property

If you must remove insured property from your premises to protect it from loss or damage covered by this policy, it is insured by this policy for 90 days or until your policy ends, whichever occurs first. The amount of insurance will be divided in the proportions that the value of the property removed bears to the value of all property insured at the time of loss.

Tear Out

If any walls, ceilings or other parts of insured buildings or structures must be torn apart before water damage covered by this form can be repaired, we will pay the cost of such work and its restoration.

The cost of tearing out and replacing property to repair damage related to outdoor domestic water containers or public water mains is not insured.

Arson or Theft Conviction Reward

We will pay up to \$1,000 to any person, excluding law enforcement officers or agencies, for information which leads to a conviction for either arson or theft in connection with loss or damage to property insured by this policy. This coverage may increase the amount payable under the policy. However, the \$1,000 limit is the maximum we will pay regardless of the number of persons providing the information.

This coverage is **not** subject to a deductible.

INSURED PERILS

You are insured against **All Risks** of direct physical loss or damage subject to the exclusions and conditions of this policy.

LOSS OR DAMAGE NOT INSURED

We do not insure loss or damage:

1. to buildings, units or structures used, in whole or in part, for business or farming purposes unless declared on the Coverage Summary Page;
2. to personal property undergoing any process or while being worked on, where the damage results from such process or work, but resulting damage to other property is insured;
3. occurring after your unit has, to your knowledge, been vacant, for more than 30 consecutive days;
4. resulting from the intentional or criminal acts of, or the failure to act by:
 - a) any person insured by this policy; or
 - b) any other person at the direction of any person insured by this policy;

5. caused by any nuclear incident as defined in the Nuclear Liability Act, or any other nuclear liability act, law or statute, or any law amendatory thereof, or nuclear explosion, except for ensuing loss or damage which results directly from fire, lightning or explosion of natural, coal or manufactured gas;
 6. caused by contamination from radioactive material;
 7. caused by war, invasion, act of a foreign enemy, declared or undeclared hostilities, civil war, rebellion, revolution, insurrection or military power;
 8. caused by theft by any tenant, tenant's employee, or member of the tenant's household;
 9. resulting from a change in ownership of property that is agreed to, even if that change was brought about by trickery or fraud;
 10. caused by birds, vermin, insects, raccoons or rodents, except loss or damage to building glass;
 11. caused by rust, corrosion, wet or dry rot, fungi or spores, bacteria, condensation, acid rain or contamination;
 12. caused by smoke from agricultural smudging or industrial operations;
 13. caused by snowslide, earthquake, landslide or any other earth movement. If any of these results in fire or explosion, we will pay only the resulting loss or damage;
 14. caused by settling, expansion, contraction, moving, bulging, buckling or cracking, except resulting damage to building glass;
 15. caused by theft or attempted theft of property in or from a unit under construction or of materials and supplies for use in the construction until the dwelling is completed and ready to be occupied;
 16. caused by vandalism or malicious acts or glass breakage occurring while your unit is under construction or vacant even if permission for construction or vacancy has been given by us;
 17. caused by water unless the loss or damage resulted from:
 - a) the sudden and accidental escape of water from a water main
 - b) the sudden and accidental escape of water or steam from within a plumbing, heating, sprinkler or air conditioning system or domestic water container, which is located inside the building containing your unit;
 - c) the sudden and accidental escape of water from a domestic water container located outside the building containing your unit but such damage is not covered when the escape of water is caused by freezing;
 - d) water which enters your unit through an opening which has been created suddenly and accidentally by an Insured Peril other than water damage;
 - e) water from the accumulation of ice or snow on the roof or eaves trough, which enters the unit through a roof;
 but we do not insure loss or damage:
 - i. caused by freezing during the usual heating season:
 1. within a normally heated portion of your dwelling if the heat has been intentionally turned off by you or at your direction; or
 2. within a normally unheated portion of your dwelling;
 - ii. caused by continuous or repeated seepage or leakage of water;
 - iii. caused by the backing up or escape of water from a sewer, storm drain, drain, sump or septic tank;
 - iv. caused by ground water or rising of the water table;
 - v. caused by surface waters including flood, unless the water escapes from a water main or from a domestic water container located outside your dwelling;
 - vi. caused by shoreline ice build-up or by waterborne objects or ice, all whether driven by wind or not;
 - vii. to a water main;
 - viii. to a plumbing, heating, cooling, sprinkler or air conditioning system or domestic water container from which the water escaped;
 - ix. occurring while the building is under construction or vacant unless we have given permission for construction or vacancy.
- nor do we insure:
18. wear and tear, inherent vice, latent defect, mechanical breakdown, deterioration;
 19.
 - i) data;
 - ii) loss or damage caused directly or indirectly by data problem. However, if loss or damage caused by data problem results in the occurrence of further loss of or damage to property insured that is directly caused by fire, explosion, smoke, leakage from fire protective equipment, water damage, this exclusion shall not apply to such resulting loss or damage;
 20. the cost of making good faulty material or workmanship;
 21. scratching, abrasion or chipping of any personal property, or accidental breakage of any fragile or brittle articles;
 22. loss or damage caused directly or indirectly, in whole or in part, by Terrorism or by any activity or decision of a government agency or other entity to prevent, respond to or terminate Terrorism regardless of any other cause or event that contributes concurrently or in any sequence to the loss or damage, but you are still insured for ensuing loss or damage which results directly from fire or explosion;
 23. caused directly or indirectly by any of the following perils, whether or not caused by or attributable to earthquake: flood of any nature, waves, tidal waves, tsunami, high water, waterborne objects or ice.

BASIS OF CLAIM SETTLEMENT

When Coverage Applies

We will pay claims for insured loss or damage:

- to personal property and unit improvements and betterments;
- to your unit, less any amount recoverable from any insurance covering the collective interests of the unit owners;

as described below, up to your financial interest in the property, but not more than the applicable amount(s) of insurance for any loss or damage arising out of one occurrence.

Any payment for loss or damage will not reduce the amounts of insurance provided under Section I.

Insurance cannot be a source of profit. It is only designed to indemnify you against actual losses or expenses incurred by you for which you are liable.

Deductible

All coverages under Section I are subject to a deductible, unless otherwise stated. The deductible amount is shown on the Coverage Summary page.

We pay only the amount by which the insured loss or damage exceeds the applicable deductible amount in any one occurrence when the loss is \$30,000 or less. If the loss is more than \$30,000, we pay the full amount.

If your claim involves "**Personal Property with Special Limits of Insurance**", these limits apply only to the amount of loss exceeding the deductible.

Coverage C – Personal Property

1. For electronic media we will pay the cost of reproduction from duplicates or from originals of the previous generation of the media. We will not pay the cost of gathering or assembling information or data for reproduction.
2. For other records, including books of account, drawings or card index systems, we will pay the cost of blank books, pages, cards or other materials plus the cost of actually transcribing or copying the records.
3. We will pay on the basis of Replacement cost for all other personal property except:
 - a) articles that cannot be replaced with new articles because of their inherent nature, including antiques, fine arts, paintings and statuary;
 - b) articles for which their age or history substantially contributes to their value, such as memorabilia, souvenirs, and collectors items;
 - c) property that has not been maintained in good or workable condition;
 - d) property that is no longer used for its original purpose;for which we will pay only on the basis of actual cash value.

Replacement cost means the cost, on the date of the loss or damage, of the lesser of:

- repairing the personal property with materials of similar kind and quality; or,
- new articles of similar kind, quality and usefulness;

without any deduction for depreciation.

We will pay on the basis of replacement cost only if the property lost or damaged is repaired or replaced as soon as reasonably possible, but in no case more than 1 year after the date of loss. Otherwise, we will pay on the basis of actual cash value.

You may choose payment on the basis of actual cash value initially. If you later decide to replace any destroyed or stolen property, you may make an additional claim for the difference between the actual cash value and the replacement cost.

We will not pay more than the applicable limit under either the replacement cost or actual cash value basis for **“Personal Property With Special Limits of Insurance”**.

Unit Improvements And Betterments And Unit Additional Protection

If you repair or replace the damaged or destroyed unit or unit improvements and betterments, on the same site, with a unit of the same occupancy, constructed with materials of similar quality, within a reasonable time after the damage, we will pay the cost of repairs or replacement (whichever is less) without deduction for depreciation.

If you decide not to repair or replace the damaged or destroyed unit, we will pay the actual cash value of the damage at the date of the occurrence.

Actual Cash Value

The Actual Cash Value is what the property is worth and takes into account such things as the cost of replacement less any depreciation and obsolescence. In determining depreciation, we will consider the condition of the property immediately before the damage occurred, the resale value and the normal life expectancy.