

# METROPOLITAN TORONTO CONDOMINIUM CORPORATION NO. 600

## BY-LAW No. 13

### STANDARD UNIT and INSURANCE

WHEREAS the board of directors of Metropolitan Toronto Condominium Corporation No. 600 ("the Corporation") is aware that Ontario condominium corporations are beset by rising insurance premiums, deductibles and uncertainty as to the availability of affordable insurance coverage;

AND WHEREAS the board wishes to control costs and protect the Corporation's insurance position to the greatest extent for the benefit of all the unit owners collectively by:

- (a) Consolidating and clarifying various aspects of insurance for the units and common elements;
- (b) Establishing what constitutes a standard unit for the purpose of determining the responsibility for maintaining, repairing and insuring improvements made to units and clarifying the extent of the Corporation's obligation to insure the units as per s. 56(1 )(h) of the Condominium Act, 1998 (the "Act");
- (c) Clarifying and enhancing the Corporation's ability to recover insurance deductibles arising from an insurable loss caused by a unit owner or someone the owner is responsible for, as per s. 105(3) of the Act;
- (d) Setting maintenance standards for the owners' units to prevent avoidable losses;
- (e) Requiring insurance policies held by the Corporation, unit owners and tenants to contain waiver of subrogation clauses to minimize disputes, lawsuits and costs; (f) Facilitating speedier emergency entry to units to minimize losses and costs; (g) Requiring an insurance trust agreement in the case of substantial damage; and (h) Repealing spent, superseded or worthless by-laws.

AND WHEREAS this by-law does not alter the allocation of maintenance and repair obligations set out in the Act and the Corporation's declaration; IT IS ENACTED AS A BY-LAW of the Corporation as follows:

## PART A - STANDARD UNIT

### One Class of Standard Unit

1. The Corporation shall have one class of Standard Unit for its residential dwelling units, to be known as the "Standard Unit."

### Parking, Locker and Other Units

2. For any parking space, locker or other type of unit that constitutes a legal unit and is not owned in whole or in part by or for the Corporation, including the commercial unit (being Unit 1, Level 1 ), the Standard Unit includes nothing more than the bare unit and excludes all fixtures, fittings, equipment and appliances and personal property therein or thereon, any additions, alterations or improvements made to the unit or any item thereupon and any motor vehicle, contents or personal property therein or thereon.

(b) For any unit owned in whole or in part by or for the Corporation, the Standard Unit shall, notwithstanding any other provision of this bylaw, include such finishes, components, fixtures, fittings and equipment as may be owned by the Corporation and necessary to carry out the intended purpose of the unit and, in the case of a dwelling unit of which the Corporation is a mortgagee in possession at the time of an insured loss, the Standard Unit shall include such finishes, fixtures and fittings as may be documented by the Corporation on taking possession of the unit or, in the absence of such evidence, to the standard at which the local municipality may permit occupancy.

### Standard Unit Defined

3. A Standard Unit for the Corporation's residential dwelling units shall include:
  - a) The "Basic Unit," comprising the building components within the horizontal and vertical boundaries of each residential dwelling unit as specified in the Corporation's declaration, subject to any inclusions or exclusions specified in the declaration; and
  - b) "Standard Improvements," comprising the following components originally installed by the Declarant before registration of the declaration and description (or replaced thereafter to the extent they meet the minimum as-built building standard when originally constructed), or as otherwise

additionally specified below to the extent any such component is located or deemed to be located within the unit boundary of a unit and is not excluded elsewhere in this by-law:

- (i) ceilings, if existing at the time of an insured loss, completed to the drywall (of such thickness as the Building Code may require, including taping, sanding, one coat of primer);
- (ii) all floor assemblies, constructed to the subfloor;
- (iii) interior partitions and walls, to the extent existing at the time of an insured loss, completed to the drywall (including taping, sanding, one coat of primer);
- (iv) partitions and walls between units and common elements, including insulation and vapor barrier, completed to the drywall/ (including taping, sanding, one coat of primer);
- (v) all exterior windows and window frames and entrance doors and door frames and builder-grade interior doors and door frames;
- (vi) all in-wall electrical switches, outlets, connection boxes, builder grade in-ceiling lighting fixtures, wiring and electrical items ancillary thereto, and any telephone and cable wiring and outlets;
- (vii) bathtub, shower-stall, sinks, toilet and in-unit plumbing, pipes, drains, taps, shower heads and fixtures;
- (viii) all in-unit heating, air conditioning and ventilating equipment, fans, radiators, thermostat, ducts, pipes and related components; and
- (ix) smoke, heat and carbon monoxide detectors, (except batteries), fire alarm, security alarm, sprinklers, intercom, thermostat and exhaust fans.

#### Exclusions

4. The Standard Unit shall exclude the following components and the Corporation shall not bear the cost to repair, replace after damage or insure any of the following components (the "Exclusions"):
  - (a) any portion of another unit and any portion of the common elements including any exclusive use common elements;

- (b) any extras ordered by the original purchaser from the Declarant to the extent they are in excess of the as-built Standard Improvements;
- (c) any improvement to or betterment made by an owner or resident to the unit and any addition, alteration or improvement to the common elements made by an owner regardless whether or not it is the subject of an agreement between the owner and the Corporation under s. 98 of the Act;
- (d) any Damaged Component for which the cost to repair any damage or failure is excluded from coverage by a provision in the Corporation's insurance policy;
- (e) fixtures, fittings, appliances, facilities, or equipment (other than as specifically included as a Standard Improvement above), furniture, ornaments, decorations, window coverings, household and personal effects and contents;
- (f) carpeting, under-padding, tiles, hardwood flooring, sound-proofing and other flooring improvements or betterments, whether originally installed by the Declarant or subsequently by or for an owner;
- (g) kitchen, bathroom and laundry countertops and cabinets;
- (h) Standard Improvements damaged by arson or a willful or criminal act of the unit owner or their tenant, resident, employee, agent, contractor, visitor or guest;
- (i) damage to any Security Device as installed or required in the unit, including any smoke detector, carbon monoxide detector, heat detector, fire alarm, security alarm, intercom, window latch or any other required safety or security device, when the damage was caused by any removal, disconnection or any failure by an owner to maintain any such Security Device to provide and replace batteries, when required from time to time; and
- (j) the exclusions from the definition of the Basic Unit specified in the declaration.

If any of these Exclusions apply, the unit owner should consider making claim under the owner's own insurance coverage or a tenant's insurance coverage.

#### Repair After Damage

5. (a) The Corporation shall repair or replace after damage any Basic Unit and its applicable Standard Improvements if any insured peril occurs, together with the

common elements and its assets as required by the Act or the declaration. However, the Corporation shall not be obligated to repair after damage, maintain or replace any Standard Improvements if any Exclusion listed above is applicable. The Corporation shall be responsible to undertake a repair after damage only if and to the extent the peril is insured against by the Corporation's insurance policy and insurance proceeds are paid or payable to the Corporation.

- (b) The cost of any repair after damage shall constitute a common expense, except to the extent the owner of a unit is responsible to reimburse the Corporation for the lesser of the cost of repairing the damage and the deductible limit of the Corporation's insurance policy, as specified in the Act or this by-law.

#### Quality and Specifications

- 6. All repairs after damage of a Standard Unit shall be completed in a good and worker-like manner, using good quality, new, unused materials equal to the as-built building standard when originally installed by the Declarant, subject to the particulars of any manufacturer, model, specifications or quality referred to in this by-law, finished in a manner that matches abutting finishes. All materials shall comply with and be installed pursuant to all applicable government, municipal or industry standards. The board of directors reserves the right in its sole discretion at any time to designate substituted materials for a Standard Improvement, including the manufacturer, model, specifications and quality standards as may be appropriate under construction standards and availability of such materials.

### PART B - RECOVERY OF INSURANCE DEDUCTIBLE

#### Recovery of Deductible

- 7. (a) The owner shall reimburse the Corporation for the Deductible Loss arising from each Event of Damage affecting any Damaged Component arising from any act or omission of the owner or a Responsible Person, subject to the criteria set out in this article and these defined terms:
  - (i) "Damaged Component" comprises any Basic Unit and each of its Standard Improvements, any portion of the common elements, exclusive use common elements, assets, structures, facilities, installations or components thereon that has sustained damage originating from an Event of Damage. A component shall not qualify as a "Damaged Component" if it is excluded from the Standard Unit or if it is a component not insured by the Corporation's insurance policy or is an owner's or resident's improvement or betterment, contents or any item or

component other than a Basic Unit, its Standard Improvements and the Corporation's common elements and assets.

(ii) "Deductible Loss" shall be the amount that is the lesser of:

- (A) the cost of repairing any damage or loss to any Damaged Component which originated from or in respect of an Event of Damage; or
- (B) the deductible limit of the insurance policy maintained by the Corporation.

(iii) "Event of Damage" is any event or any cause of damage or loss specified as a major peril or extended peril insured in the Corporation's insurance policy that causes damage to any Damaged Component, resulting in the need to repair or replace any such component, whether such Event of Damage or loss originated from within or beyond the boundaries of the unit.

(iv) "Responsible Person" is an owner, a lessee of the owner, a person residing in the owner's unit with the permission or knowledge of the owner, or any other person or thing permitted into the owner's unit by one of the foregoing persons.

(b) Any Deductible Loss payable by an owner under s. 105(2) of the Act or under this by-law shall be added to the contribution to the common expenses payable for the owner's unit.

(c) If an Event of Damage to any unit or to the common elements or the assets of the Corporation was caused by an act or omission of the Corporation or its directors, officers, agents, contractors or employees (the "Corporation's Representatives") or by any Event of Damage originating outside the boundaries of the owner's unit not caused by a Responsible Person, then the owner shall not be responsible to bear the Deductible Loss.

(d) If an Event of Damage originated within or emanated from an owner's unit and caused damage to any Damaged Component/ the owner of the unit and any Responsible Person shall not be held strictly liable for such Event of Damage, but where a human must likely have caused or been responsible to prevent or minimize the source or continuation of such damage, or where any of subparagraphs (e)(i) to (ix) applies, a Responsible Person shall be presumed to have caused such damage, unless any such person demonstrate that one of the

Corporation's Representatives or a person other than a Responsible Person caused the damage.

(e) An Event of Damage shall be deemed to have been caused by an act or omission of the owner or a Responsible Person under any of these circumstances, without limitation:

- i) Fire Damage - if fire damage apparently originated within a bed/ carpet or other furniture or contents within the owner's unit, locker or parking space, or if the fire originated because of an act of smoking, a kitchen grease fire or other cooking fire, or a failure to clean, maintain or repair a kitchen oven, stove, hood, fan, vent, any lamp, portable heater, appliance or device (including, without restriction, a toaster, toaster oven, kettle, blender), or due to a failure to arrange for a qualified service person to clean lint from the front, rear and inside of a clothes dryer, its ducts and vents, or if the owner has failed to maintain, repair or replace any such electrical component or item to a good quality, safe and secure operating condition, free of defects or hazards, or if any other circumstances demonstrate an act or omission, whether or not negligent, which causes an Event of Damage;
- ii) Water Damage - if any water pipe, tap, hose, valve, sink, bathtub, shower, toilet, waterbed, fish tank, irrigation system or other liquid container, their gaskets, seals, hardware and components are located within the boundaries of the owner's unit, and if the owner has failed to maintain and repair them to a good quality, safe and secure operating condition, free of defects or hazards, or if a Responsible Person has failed to follow appropriate procedures to maintain, repair or replace any water valve, gasket, seal or other water device to avoid flooding, or if any source of water is left running to cause flooding, or if any other circumstances demonstrate an act or omission, whether or not negligent, which causes an Event of Damage;
- iii) Owner's Maintenance Obligation - if the owner or any Responsible Person fails to fulfill the owner's duty to maintain and repair the Basic Unit, its Standard Improvements, the owner's improvements and betterments, or the resident's contents, components or items within the owner's unit, locker or parking space to a safe operating condition, free of any defect or hazardous condition, if such lack of maintenance, repair, defect or hazardous condition is involved as a source of an Event of Damage;

- iv) Hazardous Items - if any hazardous item or component, including any device, weapon, chemical or other substance referred to in the Corporation's rules is located within the owner's unit, locker or parking space and is involved as a source of an Event of Damage;
- v) Safety Devices - if any smoke detector, heat detector, carbon monoxide detector or any other Safety Device as required by the Corporation's by-laws or rules located within the owner's unit, locker or parking space has been disconnected, is inoperative or has not been duly maintained, repaired or replaced on a timely basis and is involved as a source of an Event of Damage;
- vi) Owner's Insurance - if the owner's improvements, betterments, or the residents' contents, personal possessions, components or items within the owner's unit/ locker or parking space or any act or omission by the owner or a Responsible Person causes damage originating within or emanating from an owner's unit which has been, or could have been, insured personally by the owner or a tenant as referred to in sections 11 and 12 below;
- vii) Willful/Negligent Act - if the owner or any Responsible Person willfully or negligently causes an Event of Damage to or affecting any unit, common elements or assets of the Corporation, or if any such person is responsible for a nuisance at common law or escape of a substance from the owner's unit, locker or parking space causing damage;
- ix) Other Acts or Omissions - if the owner or a Responsible Person can be shown, on a balance of probabilities, to have committed any other act or omission causing damage including, without limiting the generality of the foregoing:
  - (1) Failing to comport with maintenance standards set out in this by-law;
  - (2) Failing to follow manufacturer's specifications for operating, inspecting, maintaining or repairing any fixture, fitting, personal property or appliance in or around the unit;
  - (3) Failing to conduct regular inspections of the unit while it is not regularly occupied for 15 days or longer;



- (4) Failing to conduct or permit inspections of the unit and HVAC, electrical, plumbing and life safety systems by the Corporation when demanded;
- (5) Failing to grant the Corporation or its authorized agents entry to the unit immediately when reasonably demanded or in an emergency;
- (6) Modifying or interfering with any common element component, like plumbing, electrical or life safety systems, without express written consent of the board;
- (7) Failing to promptly detect and report to the Corporation any unsafe condition or evidence of water ingress or damage visible in the unit or surrounding common elements;
- (8) Failing to engage an appropriately qualified and licensed professional to carry out necessary maintenance or repairs of any part of the unit/ any improvements, fixtures, fittings, personal property or appliances; or
- (9) Failing to obtain required municipal approval or permits for installations, maintenance or repairs performed by or for the owner to any unit component, improvement or personal property or appliance in the unit.

## PART C - MAINTENANCE STANDARDS

### Maintenance Standards Established

9. As part of their obligation to maintain their units, each owner shall (to the extent the stated component exists or is applicable), comport with the following standards:
- a) Maintain a minimum indoor ambient air temperature of 15 degrees Celsius in the unit at all times;
  - b) Replace water supply hoses to appliances at least every 5 years with stainless steel-braided hoses with auto-shut off connections, and check connections regularly;
  - c) Inspect and replace plumbing and drains beneath sinks, bathtubs, showers and toilets at least every 15 years;
  - d) Inspect and, if necessary, caulk around bathtubs, showers, and sinks at least every 2 years;

- e) Replace toilets with a crack in the porcelain or a leak and at least every 15 years otherwise;
- f) Maintain faucets and taps at all times to prevent dripping and avoid excessive water consumption;
- g) Know and advise all occupants of the location of water shut-off valves and how to use them;
- h) Inspect and exercise shut-off valves regularly;
- i) Clean and drain refrigerator and freezer drain pans regularly;
- j) Ensure that no egress door or window or vent is blocked;
- k) Ensure that life safety systems and devices are functional and unobstructed;
- l) Keep the unit free of rodent, vermin and insect infestations;
- m) Regularly inspect and clean or replace dryer vents and ductwork;
- n) Engage appropriately-qualified and licensed professionals to undertake any maintenance of plumbing, electrical or HVAC systems or appliances for which the owner is responsible; and
- o) Follow such other and further maintenance directives as may be issued by the board from time to time.

## PART D - INSURANCE COVERAGE

### Corporation's Insurance

- 1 0. It shall be a duty and a common expense of the Corporation to obtain and maintain insurance on its own behalf and on behalf of the owners for damage to or failure of the Basic Units and their Standard Improvements and the common elements and assets of the Corporation caused by a major peril or the other extended perils that the declaration and by-laws of the Corporation specify (but not to the extent any Exclusion applies). The Standard Improvements referred to above do not constitute "improvements made to a unit" (sometimes known as "owner's improvements or betterments") for which insurance is precluded by s. 99(4) of the Act. Instead, the Standard Improvements shall form part of the Standard Unit and the Corporation shall be responsible to insure and repair the Standard Improvements as permitted by s. 56(1 )(h) of the Act.

Unit Owners' Insurance 11 . Unit owners shall obtain and maintain their own comprehensive all-risk condominium unit owner's insurance policy that provides full replacement cost insurance for a broad range of insurable perils not covered by the Corporation's insurance policy. The Corporation shall not administer, check

compliance with or enforce this obligation, as owners are expected to protect their own financial security and comply with the terms of their mortgages. Without limiting the generality of the foregoing, owners shall obtain insurance coverage for:

- (i) any improvements, betterments, additions or alterations made to their unit and to any Standard Improvements or the common elements and exclusive use common elements;
- (ii) the lesser of the deductible amount of the Corporation's insurance policy and the cost of repairing damage to a unit, common elements and assets for which the owner may be responsible by the Act, declaration or this by-law;
- (iii) public liability insurance to a minimum \$2,000,000 limit, providing standard all-risk public liability coverage of the owners or any resident, tenant, invitee or licensee of such owner's unit, subject to usual exclusions and conditions;
- (iv) contents insurance for furnishings, fixtures, equipment, appliances, household effects, decorating, art work, clothing, jewelry, furs, silverware, cameras, sporting equipment, computers and electronics, and any other personal property or chattels of the owners or occupants within the unit;
- (v) owners' personal property and chattels stored elsewhere on the property, such as in a locker, parking space or automobile;
- (vi) additional living expenses arising from loss of use and occupancy of their unit in the Event of Damage and the cost of additional living expenses incurred by owners if forced to leave their dwelling unit as a result of a peril covered by the owners' policy;
- (vii) contingent insurance, if the Corporation's insurance does not cover a particular loss that ought to be insured by the Corporation under the Act;
- (viii) special loss assessment coverage pertaining to the costs of a special assessment levied by the Corporation against the unit owners to cover a shortfall between the actual cost of an insurable loss and the amount paid by the Corporation's insurance under a claim;
- (ix) blanket glass coverage, sewer back-up coverage and freezer contents coverage; and

- (x) other insurance coverages that may be obtained as part of a comprehensive condominium owner's insurance package.

#### Tenants' Insurance

- 1 2. Owners shall require their tenants to obtain and maintain renters' contents and liability insurance protection when leasing a unit, though the Corporation shall not monitor or enforce compliance with this obligation.

#### Waiver of Subrogation

13. Any insurance policy maintained by the Corporation, unit owners or tenants must contain waivers of subrogation against the Corporation, its directors, managers, agents, employees and servants, and against the unit owners and their respective residents, tenants, invitees or licensees, except for damage arising from arson, fraud, vehicle impact, vandalism or malicious mischief caused by any of the above.

### PART E - INSURANCE TRUST AGREEMENTS

#### Agreements Permitted

14. The Corporation may enter into an insurance trust agreement to engage an insurance trustee to perform such duties and services with respect to insurance proceeds payable to the Corporation as may be required from time to time, at such compensation and upon such terms and requirements as the board may determine, subject to compliance with the provisions of the Act and the declaration.

#### When Agreement Required

- 1 5. In the event of substantial damage to a building or a structure located on the property where the proceeds of an insurance policy are expected to equal or exceed 25% of the replacement cost of all the buildings and structures located on the property, the board shall promptly enter into an insurance trust agreement and shall authorize and direct the insurer to pay any such insurance proceeds to the insurance trustee, to be disbursed for the repair and replacement of damaged common elements, assets and units covered by the insurance policy.

### PART F - RIGHT OF ENTRY

- 1 6. On giving reasonable notice to an owner, the Corporation or a person authorized by the Corporation may, at any reasonable time, enter a unit or a part of the common elements of which an owner has exclusive use to perform the objects and duties of the Corporation or to exercise its powers. Such entry may also be

made without prior notice to the owner in the event of an emergency or other event or circumstance as is prescribed including, but not limited to, mitigating imminent or active water escape, fire or risk of harm to persons, in which case the Corporation may utilize any means necessary or expedient to gain access to a unit.

- 1 7. If an Owner is not present to grant entry to a unit, the Corporation or its agents may enter without liability for any claim or cause of action for damages, including for breaking down the door, provided they exercise reasonable care in the circumstances.

## PART G - INTERPRETATION AND APPLICATION

- 1 8. If any provision of this by-law conflicts with any specific provision in any other bylaw or rule of the Corporation (including By-Law No. 1 2 passed at the AGM held June 27, 201 8 but never registered on title), this by-law shall supersede and replace any conflicting provision to the extent necessary to carry out the objectives of this by-law. If any provision of this by-law is held to be unenforceable, only the specific unenforceable provision shall be severed and the remaining provisions shall continue in full force and effect. The provisions of this by-law shall automatically be deemed amended to accord with any applicable amendments to the Act, its regulations or any governing law or common law precedent case. No waiver, delay, acquiescence, estoppel, detrimental reliance or discrimination shall be deemed to occur or arise or provide any defence to enforcement of the Corporation's declaration, by-laws or rules because of the Corporation's failure to enforce compliance from time to time with any such statutory or regulatory provision, precedent case or any declaration, by-law or rule provision.

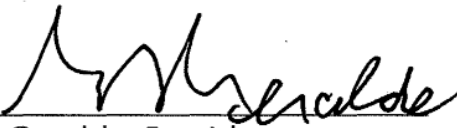
## PART H - REPEAL OF PREVIOUS BY-LAW

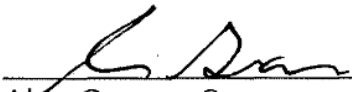
### By-Law 3 Repealed

19. The following by-law of the Corporation is repealed, but with no effect on any existing agreements authorized by that by-law or the Corporation's power to enter into such agreements:
  - a. By-Law No. 3 (insurance trust agreement)

THIS BY-LAW WAS PASSED by the Board of Directors at a meeting duly called and held and then confirmed by a vote of owners of a majority of the units in the Corporation, in accordance with the Condominium Act, 1998.

Dated: ..... OCT 20, 2020 .....

  
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Greg Geralde, President

  
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Alan Gracan, Secretary c/s