

**57-8a-404 Other and additional insurance -- Limit on effect of lot owner act or omission -- Insurer's subrogation waiver -- Inconsistent provisions.**

- (1)
  - (a) The declaration or bylaws may require the association to carry other types of insurance in addition to those described in Section 57-8a-403.
  - (b) In addition to any type of insurance coverage or limit of coverage provided in the declaration or bylaws and subject to the requirements of this part, an association may, as the board considers appropriate, obtain:
    - (i) an additional type of insurance than otherwise required; or
    - (ii) a policy with greater coverage than otherwise required.
- (2) Unless a lot owner is acting within the scope of the lot owner's authority on behalf of an association, a lot owner's act or omission may not:
  - (a) void a property insurance policy under Subsection 57-8a-403(1)(a) or a liability insurance policy under Subsection 57-8a-403(1)(b); or
  - (b) be a condition to recovery under a policy.
- (3) An insurer under a property insurance policy or liability insurance policy obtained by an association under this part waives its right to subrogation under the policy against:
  - (a) any person residing with a lot owner, if the lot owner resides on the lot; and
  - (b) the lot owner.
- (4)
  - (a) An insurance policy issued to an association may not be inconsistent with any provision of this part.
  - (b) A provision of a governing document that is contrary to a provision of this part has no effect.
  - (c) Neither the governing documents nor a property insurance or liability insurance policy issued to an association may prevent a lot owner from obtaining insurance for the lot owner's own benefit.

Amended by Chapter 152, 2013 General Session