



How do I choose the right policy for my home?

Make sure you purchase a policy that reflects the unique qualities of your home, its contents and the people who live there.

Your home should be insured from the moment you take legal ownership—even if it is under construction. Your broker's expertise is particularly useful at this stage when you really need to match policy features with needs. Here's a primer to get you started:

Home insurance covers the building, its contents and liability

There are usually three parts to your homeowner's policy. For condominium owners and tenants, just the contents and liability coverages apply:

1. **Building** insurance covers the main dwelling, garage and any out buildings.
2. **Contents** insurance covers the cost of replacing furniture, carpets and personal possessions. Valuables such as art, jewels and furs may require additional coverage. Note that most contents are insured even outside the home, for example, if stolen while you are on a trip.
3. **Liability** policies insure against the costs incurred if, due to negligence,

you are held responsible for an act causing injury or property damage to others.

Policies range from offering comprehensive to "bare-bones" coverage

You can save money by scaling down your policy, but be careful not to under-insure. Basically, there are two common types of protection.

1. **Named Perils** coverage provides coverage for specific basic perils outlined in the policy. This coverage is usually less expensive, but places more risk to financial loss on you.
2. **All Risks** coverage provides you broader coverage for normal risks to which your home exposes, except those which are specifically excluded, such as acts of terrorism or flooding.

There are three general policy categories from which to choose:

1. **Basic/Named Perils** policies which is the most basic policy you can buy, providing "Named Perils" coverage

only for both your home/outbuildings and its contents.

2. **Broad Form** policies provide slightly broader protection, offering "All Risks" coverage on your home and outbuildings and "Named Perils" coverage on your contents.
3. **Comprehensive** policies provide the most thorough coverage available by offering "All Risks" coverage for your home/outbuildings and also your contents.

Regardless of which policy you select, some coverages can be increased and certain items insured separately. Your broker would be happy to sit down with you to review your coverage needs.

Take the time to understand what's covered and what isn't.

Don't assume that once you have a policy you are covered for everything. Ask your broker to explain the details.

