

DON'T THINK YOU NEED TENANT INSURANCE?



WHAT IS TENANT INSURANCE?

Tenant insurance has been specifically designed to meet the needs of people who rent.

WHO'S RESPONSIBLE?

Your landlord has NO legal responsibility to replace or pay for your personal possessions.

It's a common misconception that your landlord is responsible for replacing your personal belongings when they're damaged or destroyed in a fire or natural disaster, or stolen. The responsibility rests on you and you alone.

If you're in your first apartment, you may think you haven't accumulated anything of real value yet. Think again. A small amount of furniture may not look like it's worth much, but when you have to replace it with something new, it could break your budget. If you've purchased furniture on credit and it's destroyed by fire or stolen, you're still responsible for paying the balance to your creditor. That can hurt.

If a visitor is injured in your apartment and sues you for damages, you're responsible for paying the settlement out of your own pocket. You could be paying for a long, long time. **If you don't carry tenant insurance, responsibility rests on you and you alone.**

TYPES OF COVERAGE

The major types of policies are: **Actual Cash Value** and **Replacement Cost**.

With **Actual Cash Value**, you are covered for the depreciated value of your possessions. For example, if you own a television set that is four years old, you will be covered only for what it is worth today, after depreciation for four years of use. It's unlikely this coverage would cover the cost of a new set.

With **Replacement Cost** you are protected for the replacement cost of any item covered in your policy. For example, the same four year old television set would be replaced with a brand new one.

PREMIUMS

Premiums are based on the amount and type of coverage purchased. A basic policy will include coverage against damage caused by fire, lightning, vandalism, theft, burglary, windstorm and hail. Liability coverage to protect you against your legal responsibility for injury or damage to others is also included.

HOW CAN I GET IT?

It's likely that the same insurance office you get your automobile insurance from carries tenant insurance. However, if they do not, look in the Yellow Pages in your telephone book under Insurance Agents and Brokers.

For more information on tenant insurance, contact your insurance agent or broker or call the Insurance Bureau of Canada in Edmonton at (403) 423-2212 or 1-800-232-7275 (Alberta Residents only).