

## HOME INSURANCE

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The way home insurance works is based on the breakdown of losses suffered by a few people between a large number of insureds. Statistics help determine the frequency and extent of the losses. This data is then used to set the premium that the insureds will have to pay. The correlation between losses and the premium is particularly decisive in a very specific market segment (that is the case of the Association des chirurgiens dentistes du Québec plan).

### **The importance of prevention**

A large loss has a long-term effect on the premiums everyone pays. Prevention therefore plays a major role in reducing the number and extent of losses. As it is not obvious (a theft who is prevented because the alarm system scares him away does not go into any statistic), its impact on premiums is difficult to determine, but it is clear for an insurer that an insured who protects his property is a first-rate client. As a result, the insurer offers him its best products at the best possible price.

Examples of preventive measures:

- Have an alarm system for fire and theft connected to a surveillance control centre through a protected line.
- Have a low temperature detector connected to a surveillance control centre in order to prevent your pipes from freezing while you are away.
- Call only qualified staff for renovation or repair work, especially when it involves electricity or you want to have an auxiliary heating system installed.
- Maintenance your heating systems regularly, and clean your chimneys especially.