

JUST THE FACTS: HELPING YOU TALK ABOUT MONEY

Insurance

Insurance is protection against loss or damage – to yourself and/or your property.

- An insurance contract is called a “policy.”

Coverage is paid for through regular installments over time, known as premiums.

- In some cases, such as travel insurance, you will pay a one-time premium to cover insurance over a limited time period.
- As a general rule, the more you stand to gain from an insurance payout, the higher the premiums will be. This may vary depending on factors such as your age, your health and the time-frame of the policy.

Common types of insurance:

- **Life insurance** – a specified amount is paid to beneficiaries (as designated by you) if you die.
- **Property insurance** – a payout for the value of property (usually determined in advance) of belongings lost or damaged.
 - It is advisable to make a list of your property and take photographs of your more valuable belongings, as proof for the insurance provider if you need to make a claim.
- **Vehicle insurance** – mandated for drivers, covering damage to the vehicle and liability in the case of an accident.
- **Disability insurance** – payments to cover a loss of income if you are unable to work for a period of time due to injury or illness.
- **Accidental death and dismemberment insurance** – varying payouts, depending on loss of the use of parts of your body.
- **Health insurance** – covering health care services not provided by government plans, such as dental care.
- **Critical illness insurance** – a payout if you are diagnosed with certain health conditions, such as cancer or a heart attack.
- **Travel insurance**
 - Cancellation – reimbursement if the trip is cancelled or delayed.
 - Health – coverage for health care away from your home province.

Researching the types of insurance available and their costs will help you decide what is best for your personal circumstances.

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