

TitlePLUS[®] title insurance¹ now available to consumers in Québec – Covers title risks related to home ownership Assurance LAWPRO^{®2} launches TitlePLUS title insurance

Montreal, April 15, 2009 – Assurance LAWPRO announces the availability of TitlePLUS title insurance to consumers across Québec. TitlePLUS insurance provides coverage for title-related risks that could affect the right of ownership of a property or the marketability of the property in the future, such as a dispute over a vendor's legal right to sell a property, hidden building code violations, encroachment on the property by a neighbour, and outstanding legal hypothecs. It also provides important protection in the event of fraud. A title insurance policy moves these risks away from the homebuyer and the mortgage lending institution, to the title insurer.

“We are pleased to be able to offer consumers in Québec this important product to help protect what might be their single largest investment – their home,” says Raymond Leclair, vice-president, TitlePLUS. “Most homeowners are well-insured for property damage but aren't familiar with the concept of title-related risk, which would not be covered by property insurance. TitlePLUS title insurance is an inexpensive and simple way to protect yourself from unexpected costs or even the risk of losing ownership of your home.”

The TitlePLUS program has been providing comprehensive title insurance coverage in Canada since 1997. The TitlePLUS program insures residential properties, including new and resale homes, divided co-ownerships, cottages, recreational properties, residential rental properties (up to 4 units) and vacant land intended for residential purposes.

TitlePLUS title insurance is obtained through a notary or lawyer when a home is purchased or refinanced. Another TitlePLUS product, the OwnerEXPRESS[®] policy, is available for current homeowners who did not obtain title insurance at the time of purchase.

The TitlePLUS insurance premium is paid only once. A TitlePLUS policy for a home worth \$200,000 costs approximately \$290 – and that policy continues to cover the home buyer for as long as he or she owns the property. If the home buyer transfers the property to his or her spouse or children, or the property passes to the home buyer's heirs upon his or her death, the spouse, children or heirs are also covered.

“TitlePLUS title insurance is an important tool that lets notaries enhance the protection we can provide to our clients when they are buying a home or property,” says Francois Sylvestre, president of PME Inter Notaires, a leading network of 200 notaries located in more than 40 communities across Québec.

Situations where TitlePLUS title insurance could provide coverage include:

- A couple purchases a house with a detached garage. The certificate of location of the property discloses no encroachment. A neighbour obtains a new certificate of location of his property which discloses that the couple's garage encroaches 1.5 metres on to the neighbour's property.
- A woman purchases a home with plans to do a significant renovation to the kitchen. Once she takes ownership and applies for the appropriate permits, the city inspector informs her that the electrical work done throughout the home by the previous owner does not meet the building code.
- A man purchases a renovated home. One week after closing, the lawyer for an electrician sends the new owner a letter stating that the vendor had not paid his client for electrical work done on the home. The electrician is claiming a legal hypothec on the property.



Assurance LAWPRO[®]

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- A couple buys a home with an existing basement apartment, intending to use the rental income to offset their mortgage payments. But after a few months, they receive notification from their municipality that the apartment does not meet the local legal requirements (such as minimum square footage, fire and safety code requirements) and must either renovate to meet the code or cease renting it.

In any of the above situations, a TitlePLUS policy could provide coverage to pay the cost to defend the title, negotiate with third parties, undertake any necessary work to remedy the problem, or to compensate the owner for the difference in value.

How does a TitlePLUS policy benefit the home owner?

- **Expedites closing:** TitlePLUS coverage may smooth the closing process and reduce the likelihood of last-minute delays.
- **Direct coverage:** A TitlePLUS policy works like any other insurance coverage. So if there is a problem that is covered by the policy, the policy holder (home owner) simply contacts Assurance LAWPRO to report the claim.
- **One-time only premium:** The TitlePLUS premium is paid only once – when the consumer buys the policy.
- **Lender coverage:** In many cases, TitlePLUS coverage provides the security a lender needs to advance mortgage funds if there is a concern over a title-related issue. Only TitlePLUS title insurance covers both the home buyer and the mortgage lender automatically under the same insurance policy – at no additional cost.

Who stands behind the TitlePLUS program?

The TitlePLUS program is offered by Assurance LAWPRO, a wholly Canadian-owned insurance company providing title insurance in the Canadian market. The company has earned an A (Excellent) financial strength rating by A.M. Best Co., a leading rating agency, for the last eight consecutive years. For more information, visit our website at www.titleplus.ca.

In Québec, Assurance LAWPRO has partnered with Dale Parizeau Morris Mackenzie Inc., a leading insurance broker, who will work with notaries to provide TitlePLUS insurance policies to consumers. “We are delighted to help notaries bring this innovative TitlePLUS product to the Québec real estate market,” said Jean-François LeBlanc, Directeur, Développement des affaires at Dale Parizeau Morris Mackenzie Inc. Partnering with Dale Parizeau Morris Mackenzie Inc. makes TitlePLUS insurance the sole title insurer in Québec who is fully in compliance with the requirements of the Autorité des marchés financiers (AMF), the regulator of financial services in Québec.

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For more information, please contact:
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¹ Please refer to the policy for full details, including actual terms and conditions. The TitlePLUS policy is underwritten by Assurance LAWPRO. TitlePLUS policies issued with respect to properties in Québec and OwnerEXPRESS policies do not include legal services coverage.

² Assurance LAWPRO is a registered name used in Québec by Lawyers’ Professional Indemnity Company.

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