

Minimum liability under policy

- 150**(1) Every contract evidenced by a motor vehicle liability policy insures, in respect of any one accident, to the limit of not less than \$200,000, exclusive of interest and costs, against liability resulting from bodily injury to or the death of one or more persons and loss of or damage to property.
- (2) The contract shall be interpreted to mean that if, because of any one accident, liability results from bodily injury or death and from loss of or damage to property,
- (a) claims against the insured arising out of bodily injury or death have priority to the extent of \$190,000 over claims arising out of loss of or damage to property; and
 - (b) claims against the insured arising out of loss of or damage to property have priority to the extent of \$10,000 over claims arising out of bodily injury or death.
- (3) The insurer may, instead of specifying a limit in the policy for an inclusive amount, specify a limit of liability of at least \$200,000, exclusive of interest and costs, against liability resulting from bodily injury to or the death of one or more persons and a limit of liability of at least \$200,000 exclusive of interest and costs, against liability for loss of or damage to property.
- (4) Nothing in this Part precludes an insurer, with respect to a limit or limits in excess of those specified in subsection (1) or (3), from increasing or reducing the limit or limits specified in the contract with respect to the use or operation of the automobile by a named person, but no reduction is effective for a limit less than that required under subsection (1) or (3).