

## The Personal Umbrella

### An often overlooked product



A personal umbrella liability policy provides liability protection in addition to the coverage provided by existing homeowner and auto insurance policies. Many believe that only the wealthy need this type of coverage. This is simply not true. The liability coverages provided on homeowner and auto policies will protect against bodily injury and property damage, but only up to the policy limits. If someone is liable to others, they are responsible for paying any negotiated or court determined damages resulting from their actions. An individual's assets, and even their future earnings, may be at risk. Damages awarded to plaintiffs in court cases can run into the millions of dollars. For instance, someone's newly licensed child is driving the family car and slides on an icy highway. He ends up causing a chain collision damaging several cars and injuring a dozen drivers and their passengers. Or someone who often volunteers to help transport members of their son's first grade class on field trips and they have an accident because they tried to beat a yellow light. If they don't have enough primary coverage, any shortage may have to come out of their personal assets.

A traditional umbrella also offers broader protection, covering primary policies as well as a variety of typically uncovered exposures. For instance, someone may have to go to court after being accused of slandering another person. The liability section of their homeowners' policy may not cover this type of loss, called personal injury. False arrest, false imprisonment, libel, defamation of character, invasion of privacy and wrongful eviction are other examples of personal injury exposures that would typically be covered under a traditional umbrella.

Another benefit of the personal umbrella policy is their relatively low cost. Because umbrella policies typically provide excess protection, there is a lower cost per dollar of coverage as compared to underlying policies, making them very affordable.

Aside from the additional protection that a personal umbrella policy would provide your clients, studies have also shown that the more insurance policies an insured has with a particular company, the less likely they are to shop around for better deals. Offering this product to your customers is an excellent way to help your agency retain business!

**Please contact your Hugh F. Miller Insurance Agency, Inc. for more information on this valuable product at 815-626-1300.**