

WHY DO YOU NEED A PERSONAL UMBRELLA POLICY?

Existing homeowners and auto insurance may not be enough to cover a lawsuit or judgment. A personal umbrella policy will substantially increase your overall liability coverage beyond the basic coverage provided under your homeowners and auto insurance policies.

SCENARIO #1: UNINSURED/UNDER-INSURED MOTORIST

Incident: The insured was driving on a highway when she was rear ended by another driver, causing her car to hit a light pole. The other driver was uninsured and attempted to flee the scene. The insured sustained serious injuries to her body.



Outcome: The insured's primary insurance company paid out the full Uninsured Motorist limit. Unfortunately, it still left the insured with \$260,000 in medical expense. Thankfully, the RLI Personal Umbrella Excess Uninsured Motorist coverage paid the remaining expenses of \$260,000.

SCENARIO #2: RENTAL PROPERTY

Incident: The Insured was renting a unit to a tenant. One day, the tenant and his friend hit the gas line while working in the basement of the unit. The insured had the gas company perform an inspection. The inspector instructed the tenant and insured not to return to



the basement. Nevertheless, the tenant and his friend went back into the basement which exploded, requiring both men to be taken to a hospital.

Outcome: The claim exceeded the insured Homeowners Policy limit. The RLI Personal Umbrella paid \$310,000 in excess of the underlying Homeowners coverage for the injuries. Without the Personal Umbrella, the insured would have incurred a \$310,000 out of pocket expense.

SCENARIO #3: PREMISES LIABILITY

Incident: The insured hired a friend to replace and install a new dock on the lake behind his house.



During the construction, the friend requested some trees be removed in order to get the old dock out of the water. The insured used a backhoe to knock the trees. While knocking down one of the trees, a limb hit the friend on the head and neck.

Outcome: The underlying insurance coverage limits were paid out, but there was still a balance of \$800,000 for the claim. The RLI Personal Umbrella paid out the remaining \$800,000, avoiding any out of pocket expenses for the insured.