

# WHY DO YOU NEED A PERSONAL UMBRELLA POLICY?

Existing auto and homeowners insurance may not be enough to cover a lawsuit or judgment. A personal umbrella policy will substantially increase your overall liability coverage beyond the basics provided under your auto and homeowners insurance policies. Consider the following real-life scenarios on the benefits of a personal umbrella policy.

## 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.



**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 Policy paid \$310,000 in excess of the underlying homeowners coverage for the injuries. Without the Personal Umbrella Policy, 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 that some trees be removed in order to get the old dock out of the water. The insured used a backhoe and 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 Policy paid out the remaining \$800,000, avoiding any out-of-pocket expenses for the insured.

FOR MORE INFORMATION ON THE  
RLI PERSONAL UMBRELLA POLICY, CONTACT:

The RLI Personal Umbrella Policy is  
available through selected agents and  
program administrators in all 50 states.

[RLIPUP.COM](http://RLIPUP.COM)

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