



## You do not have to be a **MILLIONAIRE** to be sued like one!

An Umbrella policy can offer a higher level of liability coverage that protects you and your family from damage which you may be held responsible. The greater your assets, the more you potentially have at risk.

### What is a personal umbrella liability policy?

A personal umbrella liability policy is an insurance policy designed to increase the liability protection over and above a standard home and/or auto insurance policy. The personal umbrella extends your liability protection beyond the primary policy limits. It is sold in million dollar increments up to \$100 million dollar.

### Personal umbrella policies provide four elements of coverage:

#### **Personal Injury:**

Includes mental anguish, false arrest, wrongful entry/eviction, malicious prosecution, libel, slander, defamation of character, invasion of privacy or negligent infliction of emotional distress.

#### **Bodily Injury:**

Includes physical injury or death – in some jurisdictions this includes emotional.

#### **Property damage:**

Includes destruction of the property of others, cost of recreation, and loss of use.

#### **Defense coverage:**

Includes groundless, false, and fraudulent suite, loss of earnings, bail bond costs and other reasonable expenses.



**Insurance companies that cater to high net worth individuals:**

Chubb, Fireman's Fund, Chartis, & ACE offer unique or expanded options, such as:

**Personal injury:**

Enhanced coverage for individuals in the public eye

**Not-for-profit directors and officers coverage:**

Coverage if you are sued for personal injury or property damage resulting for your volunteer service on the board of a not-for-profit organization and/or homeowners association

**Employment-related lawsuits:**

It is not uncommon for domestic staff such as nannies, housekeepers, private assistants, private assistants, gardeners and other domestic staff to take their employers to court citing claims of wrongful termination, sexual harassment and discrimination.

**Unlimited defense costs:**

Most companies limit the amount of money associated with the cost to defend a lawsuit. With Chubb, Fireman's Fund, Chartis and ACE Private Client Group the defense costs are unlimited.

**What does an Umbrella a cost?**

The price of an umbrella policy depends on three main rating factors:

- dollar limit of coverage,
- number of properties owned/rented
- number of automobiles/watercraft owned

A \$1,000,000 policy above one house and two drivers has an annual premium can as low as \$300 per year. For a few hundred dollars, you may add an umbrella policy or increase your policy limits commensurate to your growing assets and risk factors.



## Real Life Umbrella Scenarios

- You are having a new couch delivered and while the deliverymen carry it in, one slips on an area rug in your living room and breaks his arm. Damages, loss of wages and pain and suffering total \$600,000.
- While having a super bowl party one of your guests is leaning against the railing of your deck it breaks and he falls on to the cement walk way. Now he is a paraplegic and needs 24hour assistance.
- A 13-year-old guest at your daughter's pool party dives into the shallow end of the pool, and suffers devastating paralysis and injuries amounting to millions.
- Your tenant sues you for wrongful eviction, unlawful entry and slander. The cost to defend alone may be in excess of \$100,000.
- One rainy night your 17-year-old son drives two friends to the movies his car spins out of control and he hits another car head on. One friend is killed and the two people in the other car are severally injured. Medical cost, lost earnings and damages amount to millions.