

Why an Umbrella? Because Love Bites

An umbrella policy provides additional layers of liability protection. If the liability limits are exhausted on your home, auto, or other underlying insurance policy, your umbrella insurance policy takes over and provides you with additional protection. The cost is minimal compared to the comfort of knowing you're covered.

Do You Have Enough Liability Insurance?

Imagine what would happen if your dog was to bite a neighbor's child, or if there was an accident on your rental property. What would happen if a fire in your condo spread to other units? If any of these things happened to you, there's a good chance your current liability limits wouldn't be adequate to protect your assets, or your future earnings.

In today's economy, everyone is pinching pennies. So why worry about umbrella coverage?

Shouldn't a home and auto policy leave you adequately covered?

Unfortunately, we live in a world of lawsuits. Large damages can be awarded, be extremely expensive and have long-term financial impact. Those lawsuits can come from unlikely sources, such as our furry friends.

Take Herschel for instance. Herschel is a much-loved, rather timid labradoodle who enjoys taking naps on the driveway while his owner mows the lawn.

Herschel watched from eight feet away as his neighbor, a 39-year-old man, showed off his rollerblading skills to his kids. The man wiped out on the sidewalk in front of Herschel's house and broke his leg. He required surgery, costing around \$35,000 in medical costs and \$18,000 in lost wages.

Fair or not, the man brought a lawsuit against Herschel's owner, suing for \$220,000 in damages. He alleged that Herschel had caused the accident by getting in his way, despite multiple witnesses to the contrary.

But Herschel's owner was lucky--a jury vindicated Herschel. However, lawsuits such as these can easily exceed the limits on a homeowner's policy, leaving the insured responsible for the remainder. An umbrella policy would prevent that, giving you an extra \$1 million to \$5 million in coverage.

Our furry friends can put your assets at risk in other ways as well. According to the Center for Disease Control and Prevention, 4.7 million people are bitten by dogs each year, with half of those occurring on the owner's property. Dog bites, according to the Insurance Information Institute, account for about one-third of all homeowner's insurance claims, which only cover limited damages.